FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Asia

FBIS-EAS-93-042
Friday
5 March 1993

Daily Report
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FBIS-EAS-93-042 *5 March 1993*

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Japan

Trade Officials Comment on U.S. Microchip Concerns

OW0503124593 Tokyo KYODO in English 1215 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—A visiting U.S. trade official suggested Friday that Washington is carefully monitoring what share of Japan's microchip market is taken up by foreign-made products, Japanese trade officials said.

Assistant U.S. Trade Representative Ira Wolf made the remarks in an informal meeting with Sozaburo Okamatsu, director general of the International Trade Policy Bureau of the Ministry of International Trade and Industry (MITI), the ministry officials said.

Wolf told Okamatsu that both Trade Representative Mickey Kantor and Secretary of Commerce Ronald Brown are paying attention to the market share figure, attaching importance to the 1991 bilateral semiconductor accord, the officials said.

Wolf also expressed doubts about the results of a bid the Japanese Government recently used to procure a supercomputer for the education ministry-affiliated nationop institute for fusion science, they said.

U.S. computer maker Cray Research Inc. has claimed it unfairly lost the bid to NEC Corp.

The officials quoted Wolf as saying that he will keep an eye on government bidding during fiscal 1993.

Okamatsu explained Japan has continued to make every effort to improve the foreign semiconductors' share, and contended that the government's bid for the supercomputer was carried out quite fairly, they said.

Tokyo To Offer $12 Million for Nuclear Plant Safety

OW0503083293 Tokyo KYODO in English 0742 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—Japan will contribute about 12 million dollars for a fund to improve safety of atomic power plants in the former Soviet Union and East European nations, government sources said Friday.

The fund will be established by the European Bank for Reconstruction and Development in response to a request by the group of seven industrialized nations, they said.

The bank has said it requires at least 60 million European Currency Units (ECUs) to legally establish the fund. One ECU equals about 1.2 dollars.

France, Germany and Britain have already pledged 40 million ECUs for the fund, they said.

The bank said 60 nuclear reactors are in operation in the former Soviet Union, including at least 16 Chernobyl-type reactors which have structural problems.

The bank's president, Jacques Attali, said this week that hundreds of millions of ECUs will be needed to complete the task of improving the safety of all atomic power reactors in operation in the former Soviet Union and East European nations.

Major Firms Report Worsening Business Conditions

OW0503112593 Tokyo KYODO in English 1118 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—More major Japanese companies reported worsening business conditions with management confidence downbeat again, according to a survey released Friday.

The 11th quarterly survey by the Ministry of International Trade and Industry was conducted February 19 and found 41 percent of the 149 major companies polled answered their business situation had become worse.

In the previous survey last November, 34 percent replied their business conditions had worsened.

For outlook over the next six months, 52 percent predicted the conditions will remain unchanged, the survey said.

The percentage of firms expecting business to improve in half a year dropped to 31 percent from 35 percent in the previous survey, it said.

Twenty-four percent reported an increase in inventories, compared with 16 percent in the previous survey.

For fund-raising, the percentage of companies predicting lower short-term interest rates jumped to 84 percent from the previous 31 percent.

Forty-two percent plan to reduce capital spending in fiscal 1993 from the expected levels for fiscal 1992, while 25 percent had not yet decided as of February, the survey said.

Finance Minister, EPA Chief on Yen's Appreciation

OW0503114993 Tokyo NHK General Television Network in Japanese 0300 GMT 5 Mar 93

[From the "NHK News Program"]

[Text] In connection with the continuing appreciation of the yen on the foreign exchange market, Finance Minister Yoshiro Hayashi stated the following: I think the appreciation of the yen on today's foreign exchange market is due to speculation. It is desirable for exchange rates to stabilize based on actual economic conditions in each country. We intend to take appropriate measures to deal with exchange rates at the proper time.

He made the remarks at a press conference after a cabinet meeting on 5 March. Thus, Finance Minister Hayashi indicated he would be ready to intervene in the foreign exchange market if there are rapid fluctuations in the exchange rates in the future.

Meanwhile, Economic Planning Agency [EPA] Director-General Hajime Funada stated at a press conference after a cabinet meeting today: If the recent appreciation of the yen settles, corporations should make further efforts, including a price cut of imported goods, so consumers can take advantage of the current exchange rate. However, EPA Director-General Funada touched on a reduction of public utilities charges, such as electricity rates. He stated that, when taking into consideration the rise in crude oil prices in dollars, it does not follow that public utilities charges should be immediately cut; and said this is an issue that should be studied from a medium-term point of view. Thus, EPA Director-General Funada indicated his cautious stance.

Hayashi Rules Out Consumption Tax Rate Hike

OW0503101693 Tokyo KYODO in English 0942 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—Finance Minister Yoshiro Hayashi told the Diet Friday the ministry has no immediate plans to raise the consumption tax, currently at 3.0 percent, to raise general funds to cover an income tax cut.

"It's not in my mind at present," Hayashi told a subcommittee meeting of the House of Representatives Budget Committee in denying the possibility of a rate hike. He said, however, the issue of revision of the consumption tax rate will remain a subject of study by the government in the future.

Association Reports Growth in Imported Vehicle Sales

OW0403041293 Tokyo KYODO in English 0326 GMT 4 Mar 93

[Text] Tokyo, March 4 KYODO—Sales of imported cars, trucks and buses in Japan rose 11.0 percent in February from a year earlier to 14,117 vehicles, posting the first year-on-year rise since last September, the Japan Automobile Importers Association reported Thursday.

Association officials traced the rise to buoyant sales of compact passenger cars, with engine capacity of up to 2000 cc, due chiefly to price reductions.

Overall sales of passenger cars, which account for more than 90 percent of imported auto sales, rose 10.5 percent to 13,879 vehicles, with compact cars jumping 21.5 percent to 6,020 and larger cars edging 3.3 percent higher to 7,859.

The officials also cited a "net increase in Opel cars through Yanase and Co.," Japan's top dealer of imported autos.

Yanase is focusing on those German car sales after terminating its 38-year exclusive contract to sell Volkswagen and Audi cars in Japan last December.

Sales of trucks totaled 237, up 51.9 percent, and only one imported bus was sold, compared with three buses in the same month a year before.

Finance Ministry Wants High Yen-Induced Gains Recycled

OW0403121193 Tokyo KYODO in English 1031 GMT 4 Mar 93

[Text] Tokyo, March 4 KYODO—A top-ranking Finance Ministry official said Thursday [4 March] that Japanese industrial sectors benefiting from the recent sharp ascent of the yen should recycle their profits.

Calling such action "natural," the official specified the nonferrous metal industry and other raw materials importers as enjoying extra gains from a strong yen. The official, who spoke on condition of anonymity, also ruled out the possibility of redenominating the currency. Lawmakers of the ruling Liberal Democratic Party (LDP) formed a forum on Tuesday to study redenomination of the yen as a means of elevating its international status.

Finance Ministry To Monitor Tax Reduction Debate

OW0503103093 Tokyo KYODO in English 1016 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—Vice Finance Minister Mamoru Ozaki said Friday his ministry will continue to monitor debate between the ruling and opposition parties on a possible tax reduction.

Refusing to speculate about the outcome of the debate, Ozaki told reporters he "can only literally read what is said to have been agreed upon" by the Liberal Democratic Party (LDP) and opposition parties. He said the ministry cannot make any suggestions as to what the parties ought to do.

LDP officials have said the LDP agreed in principle with an opposition request that it consider income tax cuts to stimulate the nation's slumbering economy. The agreement was an apparent attempt to break a Diet stalemate over the fiscal 1993 draft budget.

The Finance Ministry has strongly opposed any tax reductions, questioning how effective such measures would be in spurring consumption. It believes that under current government revenue conditions the reduction would make deficit-financing bonds issues inevitable.

Referring to Japan's current account surplus for January, released by the ministry the same day, Ozaki said the nature of the surplus has not changed in that figures are mainly boosted by the yen's appreciation against the dollar.

He suggested that importers pass along to consumers additional income they earn due to the yen's appreciation against the dollar in order to spur personal spending and stimulate the sluggish economy.

Ozaki declined to say, however, whether or not he favors the yen's current level against the dollar.

Trade Commission Criticizes Industrial Group Exclusivity

OW0503111493 Tokyo KYODO in English 1041 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—An advisory panel to the Fair Trade Commission proposed Friday that Japan's industrial organizations not discriminate against foreigners when considering them for membership, in a further bid to tear down barriers limiting foreign access to the domestic market.

The panel on industrial groups recommended in a report that such groups grant membership to foreign companies operating in Japan on the same conditions as domestic members.

The proposal came at a time when many foreign companies feel that Japan's industrial groups, which dominate the market in all industrial sectors, apply different qualification standards when considering foreign membership applications. For instance, they note, only foreign operators registered as Japanese companies are allowed to enter Japanese industrial groups.

Currently, about two-thirds of foreign firms operating here belong to one or more industrial groups.

About 20 percent of the remaining one-third experience inconveniencies in doing business in Japan, such as difficulties in obtaining industrial information, with the financial, insurance, drug and food industries cited as being particularly exclusive.

The report marks another step toward tighter enforcement of the nation's antimonopoly law. At the Japan-U.S. Structural Impediments Initiative (SII) talks completed in 1990, Washington attacked what it saw as Tokyo's lax antitrust policy as one of the barriers impeding foreign entry into the Japanese market.

Based on the panel's recommendations, the commission, the nation's antitrust watchdog, will review its guidelines on industrial organizations, in effect since 1979, commission sources said.

The panel, headed by Keio University Professor Akira Kaneko, also urged industrial groups to more evenly treat nonmembers and members, whether Japanese or foreign, when asked to provide industrial information.

To stave off antitrust practices by industrial groups, which still take place despite a clear legal ban on them, each group is required to make their activities more transparent, it said. Also noted by the panel was the government's cozy relationship with industrial groups. It warned that the government potentially encourages anti-trust activities such as cartels by industrial groups through its administrative guidances, which are not binding legally but nevertheless are obediently followed by industry.

Ministry To Allow Phased Write-Off of Exchange Losses

OW0403075393 Tokyo KYODO in English 0715 GMT 4 Mar 93

[Text] Tokyo, March 4 KYODO—The Finance Ministry plans to permit life insurance firms to write off their currency-exchange appraisal losses in foreign bonds over two to three years instead of in a lump sum in the current financial year ending March 31, ministry officials said Thursday [4 March].

The ministry last permitted such a phased write-off in the fiscal year ended March 31, 1986 when the yen appreciated sharply after the so-called Plaza Accord in the autumn of 1985. At that time, the life insurance industry was allowed a two-year write-off.

The ministry is worried about the adverse effects on dividends to policyholders of life insurance firms already hard hit by huge appraisal losses in stock investment and nonperforming loans, the officials said.

Life insurance companies, or major institutional investors, are required to write off their appraisal losses in a lump sum when the market value of their securities portfolios falls 15 percent or more below the book value.

Under this rule, the life insurance industry as a whole would have to write off an estimated 300 billion in appraisal losses in the current business year.

With the U.S. dollar having fallen about 16 yen against the Japanese currency from last March, and Canadian and Australian dollars also plunging, the market value of debt securities in those countries has dropped sharply in terms of the yen.

Transportation Firms Expect Business Recovery After Fall

OW0303144093 Tokyo KYODO in English 1138 GMT 3 Mar 93

[Text] Tokyo, March 3 KYODO—The majority of transport-related companies believe business will pick up after the coming fall, later than they originally expected, said a government survey published Wednesday [3 March]. The Transport Ministry survey was conducted February 1 on 137 transport-related companies in 13 sectors such as airline, shipping, trucking, and tourism.

The survey found that 64 percent of the pollees say recovery will come in the second half of fiscal 1993, which starts in April, or thereafter. As many as 26

percent predict the industry will have to wait more than a year to see a brighter climate, the survey said.

The previous survey taken last September found that 59 percent of the surveyed companies forecast business recovery by the end of March or by September 1993 at the latest.

Almost all respondents described their current business as "bad," with the exception of the car repair and coastal shipping sectors, in which only 60 percent responded with the same comment. Companies expecting higher sales in the current fiscal year ending March 31 came to 46 percent, while 39 percent projected sales declines.

Reflecting recent strenuous cost-cutting efforts by companies, about 40 percent of taxi companies and 30 percent of airlines answered that their sales will "decline sharply."

Restructuring efforts, such as business downscaling and labor reduction, are being taken by 61 percent of the surveyed companies and planned by another 33 percent, the report said.

Niigata Province, Vladivostok To Open Air Link 1 Apr

OW0303140493 Tokyo KYODO in English 1321 GMT 3 Mar 93

[Text] Niigata, March 3 KYODO—The Niigata Prefectural Government announced on Wednesday it will exchange delegates with Russia to celebrate the opening of air links between the cities of Niigata and Vladivostok on April 1.

The cities of Niigata in northern Japan and Vladivostok in the Russian Far East will be linked by regular Aeroflot flights, prefectural officials said.

The 15-member Russian delegation, which includes Vladimir Kuznetsov, administrative chief of the littoral Province of Siberia, will arrive in Niigata on the first flight from Vladivostok on April 1, they said.

The Russian representatives will attend receptions in Niigata and at the Russian Embassy in Tokyo, they said. Niigata Prefecture will send to Russia a 20-member team headed by Governor Ikuo Hirayama on April 15, the officials said. They said the Niigata team is scheduled to visit Vladivostok and other places and call on regional governments in the Russian Far East.

Official: Indochina Forum To Discuss Security

OW0503084693 Tokyo KYODO in English 0746 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—A Japan-proposed international forum to consider an Indochina development strategy could also discuss regional security, Foreign Ministry Spokesman Masamichi Hanabusa said Friday.

"Matters pertaining to security can be taken up in this forum," Hanabusa told foreign correspondents.

Hanabusa was referring to Prime Minister Kiichi Miyazawa's proposal in Bangkok last January to establish a forum for comprehensive development of Indochina. He said Miyazawa would explain the proposal in greater detail in talks March 25 in Tokyo with Vietnamese Prime Minister Vo Van Kiet.

In his Bangkok speech, Miyazawa made no mention of regional security as a possible agenda item, saying only the proposed forum aims to formulate a development strategy for Indochina.

He said Japan wants to hold an international meeting in Tokyo in autumn to prepare for the forum's establishment.

Japan has so far only concretely endorsed pursuing a regional security dialogue in the forum of the annual ASEAN post-ministerial conference.

The conference comprises the six Association of Southeast Asian Nations (ASEAN) foreign ministers and their counterparts from Japan, South Korea, the United States, Canada, Australia, New Zealand, and the European Community (EC).

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand. Vietnam, Cambodia, and Laos have no voice in that forum, nor in the 15-member Asia-Pacific Economic Cooperation (APEC) forum.

APEC, which includes China, Taiwan, Hong Kong, but not the EC, has been suggested as an alternate venue for security dialogue.

Poll Shows Majority Favor Reorganization of Politics

OW0403021693 Tokyo KYODO in English 0021 GMT 4 Mar 93

[Text] Tokyo, March 4 KYODO—A nationwide survey showed as many as 72 percent of voters think Japan's political structure should be reorganized in view of a massive money-and-mobster scandal, the ASAHI SHIMBUN newspaper said Thursday. Even among supporters of the ruling Liberal Democratic Party (LDP), 67 percent consider a restructuring of the nation's political framework necessary, it said.

Only 17 percent think it is unnecessary to restructure the political framework, the ASAHI said. But 79 percent believe Japanese politics will not change, despite calls by the ruling and opposition parties for political reforms, the mass circulation daily added. Fifty-three percent support the view that the LDP should split into two separate parties, the survey showed, but 27 percent are against such a breakup. Among LDP supporters, 44 percent approve a split and 40 percent disapprove, the daily said.

Since an LDP faction founded by former Prime Minister Noboru Takeshita, which had been the largest in the party, split into two groups last year, interest has focused on whether one of the groups, headed by former Finance Minister Tsutomu Hata, will leave the party.

Regarding Takeshita's reported role in the Tokyo Sagawa Kyubin money-mob scandal, 78 percent said he should quit the Diet.

The ASAHI conducted the nationwide survey Sunday and Monday among 3,000 eligible voters. The response rate was 76 percent.

LDP May Start Tax Cut Talks With Opposition in April

OW0503114793 Tokyo KYODO in English 1136 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—The ruling Liberal Democratic Party (LDP) plans to start negotiations with opposition parties on an income tax cut after an expected Diet passage of the fiscal 1993 budget in early April, LDP sources said Friday [5 March].

The LDP and three opposition parties had earlier agreed to pass the 72.35 trillion yen budget through the House of Representatives on Saturday [6 March] and send it immediately to the House of Councillors.

The agreement came after the LDP agreed in principle to an opposition demand for an income tax reduction. The LDP will start full studies on extra pump-priming measures after lower house passage of the budget, the sources said.

As to the proposed income tax cut, the LDP plans to set up a top- level consultative group by mid-March in hopes of starting substantial negotiations with opposition parties after the budget's passage, the sources said.

Under constitutional rules, a budget becomes law 30 days after passage through the lower chamber. The LDP, however, will not initially discuss specifics of a tax cut, contending an outline should be worked out first, the sources said.

At issue is whether the tax cut should involve tax rebates or a tax reform, they said. Officials of the No. 1 opposition Social Democratic Party [of Japan], however, have said an income tax cut based on tax rebates should be worked out and implemented early to maximize the pump- priming effects.

Reform Panel Chairman Opposes Bonds To Finance Tax Cuts

OW0303123093 Tokyo KYODO in English 1148 GMT 3 Mar 93

[Text] Tokyo, March 3 KYODO—The head of the government's administrative reform panel said Wednesday he is opposed to a national bond issue to generate funds for income tax cuts.

Eiji Suzuki, chairman of the Ad Hoc Commission on Administrative Reforms, said in a statement that the government should make it a rule not to issue debt-financing bonds. The statement noted that the outstanding balance of national bonds will reach 182 trillion yen at the end of fiscal 1993.

It took 15 years for the government to do away with its dependence on deficit-covering national bonds in fiscal 1990 and this policy should be continued, the statement said. Suzuki issued the statement as deliberations in the Diet on the government's fiscal 1993 budget have been stalled due to opposition demands for tax cuts.

Suzuki later told a news conference the government should concentrate on the enactment of the budget, which incorporates outlays to stimulate the domestic economy.

Ozawa Reportedly Hints at Forming New Party

OW0503115793 Tokyo KYODO in English 1129 GMT 5 Mar 93

[Text] Tokyo, March 5 KYODO—Ichiro Ozawa, former secretary general of the ruling Liberal Democratic Party (LDP), has indicated he may form a new political party, informed sources said Friday.

Ozawa suggested the possibility in a secret meeting on February 20 with Akira Yamagishi, head of Japan's largest trade union, the Japanese Trade Union Confederation (Rengo), the sources said.

Ozawa and Yamagishi also agreed in the meeting to cooperate in carrying out political reform, they said.

The former LDP secretary general was quoted as telling Yamagishi that he might form the new party, depending on the developments surrounding political reform, they said.

Last December, 43 LDP Diet members loyal to Ozawa formed an intra-party faction led by former Finance Minister Tsutomu Hata, breaking away from the LDP's largest faction headed by former Prime Minister Noboru Takeshita.

North Korea

Kim Chong-il Rejects 'Renegades' of Socialism

SK0403105093 Pyongyang KCNA in English 0735 GMT 4 Mar 93

["Comrade Kim Chong-il's Work 'Abuses of Socialism Are Intolerable'—KCNA headline]

[Text] Pyongyang March 4 (KCNA)—The dear leader Comrade Kim Chong-il published a talk "Abuses Of Socialism Are Intolerable" in "KULLOJA", the organ of the Central Committee of the Workers' Party of Korea, on March 1, 1993.

The talk was carried by dailies here today.

Follows the full text of the talk:

At a time when the imperialists and reactionaries are resorting to unprecedentedly vicious machinations against socialism, numerous sophistry is prevalent to abuse socialism. The enemies of socialism are abusing socialism as being "totalitarian", "barrackslike" and "administrative and commanding" and are distorting the situation as if socialism had suffered a setback because of this.

The blame of socialism as being "totalitarian", "barrackslike" and "administrative and commanding" has no essential difference from the pernicious anti-socialist propaganda which the imperialists have viciously carried on from the first days of the appearance of socialism on the globe. The imperialists have been claiming as if socialism were an inhuman society in which there are no freedom and democracy. The blame of being "totalitarian", "barrackslike" and "administrative and commanding" is just the repetition of the imperialists' false propaganda against socialism only in converted expressions.

The democratic idea which had advocated freedom, equality and human rights a long time ago opposing feudal despotism was transformed by the capitalist class into bourgeois democracy which imposes and defends exploitation and subordination by capital. The imperialists made every possible attempt to embellish bourgeois democracy attaching the signboard of "liberal democracy" to it; however, they could not conceal its falsity and reactionary nature, nor could they thwart from the minds of the popular masses the aspirations and longing for socialism which provides them with genuine freedom and democracy. Nevertheless, the sophistry of being "totalitarian", "barrackslike" and "administrative and commanding" which is the repetition of the imperialists' vicious propaganda against socialism has caused ideological confusion among the people in many socialist countries in recent years. The class enemies have even led socialism to collapse by fanning this ideological confusion and misleading public sentiments. The collapse of socialism in many countries is the outcome of the conspiracy and collusion of the imperialists and counterrevolutionary forces and the result of the ideological and cultural infiltration of imperialism and of the corrosive action of right opportunist idea. Here the decisive role was played by the counterrevolutionary schemes of the renegades of socialism within these countries. In order to stifle socialism the imperialists have long directly perpetrated all manner of destructive moves such as aggression and pressure, blockade and appeasement; on the other hand, they have used as their stooges the degenerates and traitors of the revolution who appeared in the upper strata of the communist and working-class movement. As the history of the international communist movement shows, all the ideological confusion and twists and turns in this movement are due to the fact that renegades of the revolution appeared in its upper strata. Under the historic conditions when socialism had turned into a powerful material force, the imperialists attached greater importance to the strategy of undermining it from within and viciously attempted to achieve this. In accordance with this strategy of the imperialists the abuses of socialism were aggravated unprecedentedly and, along with them, the censure of socialism as being "totalitarian," "barrackslike" and "administrative and commanding" has also come into being. That the blame of socialism as being "totalitarian", "barrackslike" and "administrative and commanding" is the product of the imperialists' anti-socialist strategy has been proved by the fact that all the criminal acts to destroy socialism with this as a pretext were committed with the support of the imperialists and under their manipulation. Today the machinations of the renegades to vilify socialism are becoming more heinous. This is a frantic scheme to justify their perfidy and check the rebirth of socialism. That they are defaming socialism slandering it as being "totalitarian", "barrackslike" and "administrative and commanding" even today when socialism has been disintegrated and capitalism has been revived in many countries, shows that the renegades of socialism are revealing their despicable true colours as the stooges of imperialism more clearly.

Blaming socialism as being "totalitarian," "barrackslike" and "administrative and commanding" is an absurd sophistry.

Totalitarianism served as a political idea of the fascist dictators. Notorious Hitler of Germany and Mussolini of Italy used totalitarianism as an ideological instrument to justify their fascist dictatorship. The fascist dictators stamped out even the elementary democratic freedom and rights of the masses of the working people and enforced unprecedentedly outrageous tyrannical policies, putting forward the deceptive slogan of "national socialism" and claiming that no working-class movement and no class struggle should be permitted for the sake of the whole of the nation and the whole of the state. The reactionary nature of totalitarianism is that it sacrifices the interests of the working people for the sake of the rapacious interests of the reactionary ruling class under the pretence that the individual should be subordinated to the total. What is meant by the total in totalitarianism is not the whole of the popular masses but a tiny handful of privileged circles such as monopoly capitalists, big landowners, reactionary bureaucrats and warlords. Blaming socialism, in which the popular masses are the masters of everything, as "totalitarianism" is, after all, a preposterous sophistry which identifies the most progressive idea reflecting the demand of the popular masses with the reactionary idea of the fascist rulers.

The social way of life is defined by ideology and varies with social systems. Socialism is the most progressive idea reflecting the intrinsic demand of man, and the socialist system is the most advanced system under which the popular masses enjoy an independent and creative life to their heart's content. Restraining their independence and creativity is not the socialist but the capitalist system. The capitalist society where the working people are the slaves of capital cannot ensure

their independent and creative, fruitful life. Speaking ill of socialism as being "barrackslike" is a pernicious propaganda turning black and white.

Accusing socialism of being "administrative and commanding" is also an unreasonable sophistry. In general, the administrative and commanding method of management is an old ruling method for imposing the demand of the privileged class by invoking legal authority in the exploiter society. In capitalist society where the economic life is formed spontaneously on the principle of the market economy the state and social administration is conducted thoroughly by the administrative and commanding method and the popular masses, the target of control, are only in duty bound to obey the administrative orders. Contrary to this, in socialist society the popular masses who have become the masters of the state and society hold the position of masters and play the role of masters in administration as well. The fundamental characteristics of state and social administration by the popular masses are that priority is given to political work in all activities and the superior assists those under him and they cooperate with one another in a comradely manner. This is fundamentally different from the bureaucratic method of management for imposing everything on administrative orders in the old society. The administrative and commanding method of management which was manifested in socialist practice in the past is not the one that emanated from the essential nature of socialist society but is the old legacy that is left over from the exploiter society. The renegades of socialism directed the spearhead of attack against the principle of democratic centralism on the pretext of opposing the "administrative and commanding" method. Democratic centralism is an important principle for the activities of a socialist state. In socialist state activities democracy and centralism are organically combined with each other and herein lies one of the important characteristic features of socialist state activities. Those who were creating an anarchic condition while emasculating centralism under the slogan of "democracy" have destroyed socialism and are now openly taking the road to bourgeois dictatorship.

Slander on socialism is absurd. However, it has caused ideological confusion among the people. This is mainly because they are not firmly equipped with the socialist idea. Of course, it was no easy task to see through the reactionary nature of the slander from the outset, because it was conducted craftily under the guise of socialism. But if a proper yardstick had been prepared by developing and perfecting the socialist theory and if the popular masses had been solidly equipped with socialist idea, they would not have been easily shaken by such preposterous sophistry.

If the socialist cause is to be defended and completed to the last, the socialist idea should be developed and perfected constantly and the popular masses be equipped with it, thus making them accept socialism as their unshakable conviction. They can keep faith in socialism only when they are convinced of the justness of the cause of socialism.

The great leader Comrade Kim Il-song created the chuche idea and, on this basis, has newly developed and perfected the socialist idea. The chuche-based socialist idea has made it clear that socialist society is the most advanced society where the popular masses are the masters of everything and everything serves them and that it is a society which develops steadily on the strength of their unity. The socialist cause is just in that the popular masses lead an independent and creative life to their heart's content as the masters of the state and society. Our people maintain this justness as their firm conviction, so they are firm and steady on the road of socialism in any storm of anti-socialism.

If former socialist countries had developed and perfected the socialist idea in conformity with the requirements of the times and the developing revolution and had equipped the popular masses with it and thus made them accept socialism as their firm conviction, the tragic events would not have occurred—the events that the popular masses failing to see through the reactionary, corrupt nature of the capitalist society, and harbouring illusions about it, wavered ideologically and thus frustrated socialism. As experience shows, if we are to defend the cause of socialism and to bring glory to it the socialist idea should be perfected and the masses of the people be armed with it so that it is made their firm conviction.

Moreover, we should see to it that the people have an unshakable faith in socialism and regard it as their moral duty to defend it. In the exploiter society the politics of the ruling class goes against the morality of the working masses, whereas the politics and morality correspond with each other in socialist society where the popular masses are the masters of the state and society. The political and moral cohesion of the popular masses can only be durable when socialist morality prevails to the full. Socialism strikes deep roots in our actual life, when socialist morality based on revolutionary comradeship and obligation is established and it becomes a common practice in life. Only then can the popular masses fully discharge their responsibility and role as the masters of socialist society, build socialism successfully, firmly defend the cause of socialism and promote it admirably in any adversity. Betrayals of revolution appear in the process of socialist construction because they have not made socialism their faith nor made it their morality. The cause of socialism is that of the people and the betrayal of the socialist cause is the betrayal of the people. The betrayal of the people is a manifestation of the greatest immorality. It is the culmination of immorality for one to turn away from the confidence of the party members and the people who have elected him to the leadership of the party and the state. He may be said to have a bit of conscience, if he resigns from the post because of the lack of capacity or leaves the party for some reason.

That those who used to talk about their loyalty to the cause of socialism in the past have become renegades of socialism overnight is, in the long run, due to their failure to make socialism their own conviction and morality. This shows that the work of ideological transformation for all the members of society to make socialism their conviction and morality is the most important task which should be carried out as a matter of priority in defending and completing the cause of socialism.

Ideological transformation should be conducted in close combination with the practical struggle to build socialism.

The major aim of equipping the popular masses with socialist idea is to successfully build socialism which provides them with a more independent and creative life, by relying on the strength of the people who have been awakened in a revolutionary way. Apart from the practice of socialist construction, it is impossible to conduct the work of equipping the masses of people with socialist idea smoothly. It is only when people come to feel the superiority of socialism in their own lives through the successful building of socialism that they will accept it as their vital requirement.

The party and state of the working class should concentrate their efforts on displaying the superiority of socialism to the full by building it well.

The essential superiority of socialism lies in the fact that the masses of people are the masters of everything.

In order for the people to be the masters of everything they must become the masters of politics first. Only then can the people lead all aspects of social life as befits the masters. Socialist politics is popular politics exercised by the people as its masters. In the society of exploiters politics is, in essence, to ensure the class domination by the exploiting class, and the masses of the working people are only the object of politics. In capitalist society the life of people is led spontaneously through the activity of each individual on maintain his or her own existence. However, in socialist society the people themselves are the masters of politics and organize and conduct all aspects of social life in a uniform way.

Politics is exercised by certain political organizations. For the people of socialist society to exercise their rights and discharge their responsibilities as the masters of the state and society they must have a political organization which represents their will and interests. The representative of the people's will and interests in socialist society is the party and government of the working class. In socialist society the working-class party is the supreme political organization and the government is the most comprehensive political organpbwoimn. The position and role of the popular masses as the masters of state and society in socialist society are ensured by the party and government of the working class.

The political organization of socialist society must carry out its activity by the mode of politics in keeping with its nature as the representative of the will and interests of the popular masses. Creating the mode of politics which is in keeping with the nature of socialist society is the fundamental condition for realizing [word indistinct] for the people. Even though a working-class party and socialist government have been formed the masses of people will be unable to exercise their rights and discharge their responsibilities as the genuine masters of politics unless a new, socialist mode of politics is created.

Socialism is an untrodden path and it is an extremely difficult and complicated task to create a new mode of politics which is inherent in socialism. In the past, however, many people resorted to the existing theory that politics is defined by the economic system and thought that the problem of managing the state and society would be solved easily once the socialist system was established. Therefore, the problem of creating a new mode of politics commensurate with the nature of socialist society was not solved correctly, and the remnants of the mode of politics from the old society came to revive to a considerable extent. That the remnants of the mode of politics from the old society were not removed in socialist society is also due to the improper understanding of the essence of the socialist political organization which is different from the political organization of the old society. In the past the party was regarded mainly as an organized detachment of a certain class which defended the interests of this class, and as a weapon of class struggle; government, too, was understood as a power organ for the dominating class to realize its political domination over the society. Therefore, in the building and activities of the party and government major attention was paid to enhancing their functions and role as a weapon of class struggle and as the executor of power. The essence of the working-class party and socialist government lies, above all, in that they serve the people. Only when the working-class party and socialist government adhere to the stand that they serve the people can they carry out class struggle and exercise political power properly to meet the requirements of the popular masses for independence. That they serve the people is the essence and superiority of the working-class party and government which are fundamentally different from the party and government of the exploiting class. In the activities of the working-class party and socialist government organ which serve the people even the slightest element of seeking privilege is intolerable. Proceeding from its nature socialism rejects all sorts of privilege. In the past abuse of power and bureaucratism were evident in the practice of socialism. This is because the building of the party and government was not conducted properly as required by their mission as the servant of the people.

Abuse of power and bureaucratism are the product of anti-socialist idea and the expressions of anti-socialist methods. If the mass line is thoroughly implemented under the correct leadership of the working-class party in

socialist society so that the popular masses take the position as the masters of state and society and play their role as such to the full, it is possible to eliminate the abuse of power and bureaucratism. In order to eliminate the abuse of power and bureaucratism in socialist society, all the officials should have the spirit to serve the people faithfully. The slogan "we serve the people!" put up by our party clearly shows what attitude and stand the officials should take in treating the people and how they should work for the people. Our experience shows that when the ideological education and ideological struggle are conducted vigorously among the officials to improve their work methods and work style, it is quite possible to eliminate the abuse of power and bureaucratism which are the vestiges of the old society.

Unless the ideological education and ideological campaign are conducted to put an end to the abuse of power and bureaucratism they will be fostered to grow rather than disappearing. If the abuse of power and bureaucratism are allowed to grow in socialist society they will alienate the masses of people from the party and state, and the enemy of socialism will exploit this. The situation of those countries in which socialism has collapsed precisely shows this. In every country the people demanded socialism free from the abuse of power and bureaucratism, and in no way capitalism. However, in some countries the party and government were discredited in the eyes of people due to abuse of power and bureaucratism. Taking advantage of this, acts of betrayal were committed of instigating people to oppose socialist ruling parties and socialist power by misleading their sentiments with the preposterous slander that socialism was "totalitarianism" and with the honeyed words that they would be provided with "humane and democratic socialism". What the people have got as a result of the collapse of socialism is not the "humane and democratic socialism" but capitalism in which exploitation, oppression and social inequality are dominant and all kinds of crimes and social evils prevail. In those countries where socialism collapsed and capitalism was revived the abuse of power and bureaucratism have not disappeared but have become institutionalized and legalized and have become the prevalent social instances.

One intrinsic superiority of socialism is that here everything serves the popular masses.

That everything serves the people means that in socialist society all the activities of the party and the state are geared to providing the people with genuine freedom and rights as well as with an affluent and cultured life. The enemies of socialism slander viciously that the independent and creative life which the party and the state provide to the masses of people in a responsible way is a "barrackslike" life.

Socialism provides the people with a rich and cultured life. The long-cherished desire of the people to live free from any worries can only be realized in a socialist society in which the party and the state ensure the people's life in a responsible way. In a capitalist society a carefree life for the working people is inconceivable. In this society even those who are fairly well-to-do are always ill at ease for fear of being bankrupted, losing jobs and suffering poverty at any moment. Living a prosperous life of idleness without caring for others cannot be regarded as a genuine human life. A worthwhile and happy life conforming to the intrinsic requirements of people is a creative life which they lead transforming the world; it is a sound and equally prosperous life which is enjoyed by every one of them. It is only through such a life that people can feel their pride as the masters of the world and their worth as equal members of the society. The creative, sound and equal life which is in conformity with the intrinsic requirements of people can be fully put into effect only in socialist society in which the party and the state are responsible for the life of the people.

The most important aspect of people's life is to realize the demand of their political integrity to unite and cooperate with one another amid the love and trust of the social community. People cannot lead a life worthy of human beings developing their political integrity in capitalist society in which the dignity and personality of the working people are trampled underfoot without scruple by the privilege and arbitrariness of capital. It is only in socialist society in which all kinds of privileged domination of people have been liquidated and genuine freedom and rights are ensured for them under the leadership and care of the party and the state that they can lead a life worthy of human beings meeting the demand of their political integrity.

Socialism provides all the conditions for people to lead a stable life amid well-regulated social order. Socialist order of life is revolutionary order which enables the popular masses to lead a peaceful and free life free from all infringements under the protection of the party and the state; it is collectivist order which is maintained by the people of their own free will. Destroying socialist order of life is a criminal act which makes the masses of people the victims of all sorts of crimes and social evils. Those countries where socialist order of life has become chaotic are now in a state of anarchy; there crimes and social evils of all descriptions are rampant and frauds, swindlers and criminals of every type have become frenzied as if their own world had come.

Renegades of socialism continue to repeat the old tune such as "barrackslike" and so on, the falsity of which has already been clearly revealed. They are doing this in their foolish attempt to hide their treachery in making the working people the victims of unemployment, poverty, crimes and social evils.

Another intrinsic superiority of socialism is that this society continues to develop on the united strength of the popular masses.

That society develops implies that the position and role of man in the world are enhanced, and this in turn means the increase of independence, creativity and consciousness—the attribute of a human being. In other words,

this means that man's role increases in conformity with the rise of the independent ideological consciousness and creative ability and that social wealth increases and social relations improve in keeping with the enhancement of man's role. Therefore, whether a society has potentiality for development depends on whether this society enables man's independence, creativity and consciousness to be displayed more fully. Man's independence and creativity are ensured by his consciousness. Therefore, it can be said that consciousness plays a decisive role in the activity of a human being. This means that ideological consciousness plays a decisive role in human being's activity. Ideological consciousness reflects the requirements and interests of a human being and, as such, it defines the goal and direction of this activity, as well as his will and fighting capacity. Therefore, the basic factor which gives an impetus to social development must always be ascribed to ideological consciousness. The ideological consciousness which powerfully promotes social progress is the independent ideological consciousness, and the ideological consciousness of the highest stage of the development of people's independent consciousness is socialist ideology. It is beyond dispute that socialist society which is developing on the high degree of the revolutionary consciousness and creativity of the popular masses equipped with socialist ideology is the society which has the greatest capacity for development.

The establishment of the socialist system creates the social and economic conditions for all the members of the society to unite and cooperate based on one ideology; however, unity and cooperation of the people cannot be achieved spontaneously. In order to strengthen the unity and cohesion of the whole of society, education in socialist ideology must be improved among people. In the past, however, the remoulding of people's ideological consciousness was neglected in the practice of socialism because of the failure of the understanding that the basic driving force of the development of a socialist society lies in the unity and cooperation of the people based on a high degree of their ideological consciousness. In particular, there were tendencies to rouse people's enthusiasm for production by means of such economic levers as material incentives, seeking the driving force of the development of socialist economy in the economic factor of adapting the production relations to the character of the productive forces. As a matter of course, the lever of material incentives can be used in socialist society because it is transitional. However, this lever must be used on the basis of giving priority to the education in socialist ideology. In other words, the principle must be maintained of putting the main stress on political and moral incentives and properly combining material incentives with them. If instead of doing so, emphasis is put merely on material incentives, this will reduce people to egoists who seek only their own interests with the result that society will be in stagnation and the foundation of socialism will be destroyed. In those countries which gave up education in socialist ideology and encouraged egoism, the building of socialist economy became stagnant, and taking advantage of this, they went as far as denying the leadership of the working-class party and state over the socialist economy on the excuse of opposing an administrative and commanding style and introducing the capitalist market economy.

Political leadership and centralistic planned guidance of the economy is a basic task of the working-class party and state in socialist society. It is because they are in duty bound to look after the life of the popular masses. For the working-class party and state to give up their function of guiding the economy means shunning their responsibility of taking care of the livelihood of the popular masses. The way how the party and state should give guidance to the economy in socialist society may be different from one country to another according to their specific realities and the requirements of the developing revolution; but, they must on no account give up their guidance of the economy. The economy without guidance by the working-class party and state is not a socialist economy, and the society which is not based on the socialist economy cannot be called a socialist society. How to give scope to the superiority of the socialist economy depends on how the party and state give guidance to the economy. Our experience shows that the economy can be managed in a splendid manner in keeping with the intrinsic nature of socialist society when, in the management of the economy, the collective guidance of the party committee is ensured, the mass line is implemented, political work is given precedence in all undertakings, and when the revolutionary method of work and popular style of work are established among the officials.

The renegades of socialism are converting socialist ownership into private ownership, claiming that the "administrative and commanding system" relies on the absolute dominance of state ownership. The socialist ownership which consists of state and all-people ownership and cooperative ownership is social, economic foundations which enable the popular masses to take the position of masters of the state and society and play the role as such. It is clear that if socialist ownership is dissolved to be converted into private ownership, the means of production which have been made private will be concentrated, sooner or later, in the hands of the priviledged people, speculators and a handful of other exploiters, no matter what the method of privatization may be. It is not long since the scheme of privatization was put into effect in those countries in which socialism had collapsed, but millionaires have already appeared whereas an absolute majority of the working people are suffering from unemployment and poverty. As historical facts show, denying the guidance of the economy by the working-class party and state and doing away with socialist ownership is none other than reviving the capitalist exploiting system, under whatever pretext it is perpetrated.

All the anti-socialist, evil propaganda which accuses socialism of being "totalitarian," "barrackslike" and "administrative and commanding" is after all slinging mud at the socialist collectivism and extolling bourgeois

individualism. This testifies to the fact that the struggle between the socialists and the renegades of socialism is a struggle between socialism based on collectivism and capitalism based on individualism.

In order to shatter all manner of vilification of the renegades of socialism and to defend the cause of socialism, we must embody the principle of collectivism thoroughly in all sectors of social life.

Collectivism is an essential quality of socialism and it is the source of the latter's superiority and validity. Collectivism is, in short, a concept of valuing the interests of the collective more than one's own individual interests. In socialist society where all the working people have been transformed into socialist working people, the whole society becomes one big family whose members are united with one another through common interests. Collectivism in socialist society finds concentrated expression in making much of the interests of the state and society. Socialist collectivism does not set the interests of the state and society against those of individuals; it makes them coincide with one another. Treasuring the state and society in socialist society means, in the long run, treasuring the popular masses, the masters of the state and society. Popular masses are a social community composed of the toiling people; defending the interests of the popular masses is defending the interests of every working man, its constituent element. The basic requirement of socialist collectivism is to give prominence to the interests of the state and society and pursue one's own interests amidst those of the state and society. Socialist collectivism is against the pursuance of only one's individual interests at the expense of those of the state and society, not the interests of the individuals. It is not socialist collectivism but bourgeois individualism that infringes upon the interests of the individuals. The reactionary nature of bourgeois individualism is that it encroaches on the interests of all the working people for the sake of the interests of a handful of exploiters. It is bourgeois individualism that gives rise to all manner of contradictions and social evils in capitalist society.

Collectivism, as an idea of socialism, has developed continuously. The founding of marxism is of a very important significance in the development of the concept of collectivism. Marxism clarified that the emancipation of humanity could not be achieved by individuals and that the exploitation and oppression of man by man could be eliminated and the genuine freedom and equality of man could be realized only by the united efforts of the working class.

The great leader Comrade Kim Il-song founded the chuche idea and, on this basis, has newly developed and consummated the socialist idea, thus developing the concept of collectivism onto a new height. The chuche idea clarified an original concept that the makers of history which hew out the destiny of humanity are the pupular masses, not the individuals, and that they should be combined into one socio-political organism in order to carve out their destiny independently and creatively.

An isolated individual cannot become the motive force of the socio-historical movement nor have the socio-political integrity as a social being with independence, creativity and consciousness. The parental organism of man's socio- political integrity is the social community. It is only when an individual, as a member of the social community, couples his lot with that of the community that he can have socio-political integrity which is distinguishable from the physical body, and can live and develop independently and creatively as the master of his own destiny.

In the social collective in which the people, the makers of history, are combined into one socio-political organism the principle of comradely love and revolutionary obligation holds sway in the relationships between individuals and between the collective and individuals, the principle of sharing life and death, and serving devotedly, helping one another. What expresses the relationship of comradely love and revolutionary obligation between the collective and individuals sharing life and death is precisely socialist collectivism which embodies the principle of "one for all and all for one". Our socialist society based on the chuche idea is a society where socialist collectivism is embodied most thoroughly.

Our party's collectivist idea was formed during the anti-Japanese revolutionary struggle organized and led by the great leader Comrade Kim Il-song. Under the indescribably difficult circumstances the Korean communists were united firmly in one socio- political organism around the revolutionary leader and set the pattern for close ties of kinship based on collectivism between the revolutionary ranks and the people. Through the two stages of social revolution in our country the social sources of impeding the collectivist unity and solidarity among the people have been liquidated and, socialist construction and collectivist education have developed in depth. As a result, all the people have become a socio-political organism firmly united behind the party and the leader, an independent motive force of the revolution, and the collectivist mode of life based on comradely love and revolutionary obligation has been brought into full play in all fields of social life.

Our people are now taking the position of masters of the state and society in all fields of social life, such as politics, the economy and culture, and are discharging their responsibility and role as masters; they are advancing dynamically for the accomplishment of the revolutionary cause of chuche, united single- heartedly behind the party and the leader, sharing good times and bad with one another. The life of the people must not be estimated simply by its material aspect; it must be estimated with social and political life as its main content—the life they enjoy as the genuine masters of the state and society. The independent and creative life our people enjoy is a genuine life. It clearly shows the

intrinsic advantages of the anthropocentric socialism of our style which embodies socialist collectivism.

In socialist society the people are the masters of the state power and material and cultural wealth. So every one has the right to enjoy an independent and creative life and bears responsibility for strengthening and developing it ceaselessly with their concerted efforts. In our country there are no jobless persons, nor those who are unable to receive education and medical treatment, nor vagrants and beggars. All the people in our country are blooming their creative talents to the full at their work places which are suited to their aptitudes and abilities and are leading an equitable and wealthy life without any worry about their lives; they are taking part in an independent political life as masters of the state and society, enrolled in their relevant socio-political organizations.

In our country our party, a chuche-orientated revolutionary party, bears responsibility for the destiny of the people as a political guide of society, leads them forward and takes meticulous care of all their life; the party committees as the highest leadership body of relevant units ensure fully the independent rights of the working people through collective leadership and properly organize their creative activities. The unity between superiors and inferiors and the comradely cooperation of all have become a social trend, a custom in our country. The party serves the people and the latter, upholding the former's leadership, share good times and bad with one another. Herein lie the infinite pride and the source of invincible power of our people. Our socialism is unshakable in whatever storms. This is because the single-hearted unity among the leader, the party and the people has been realized creditably and the people are building a new life in conformity with their demand for independence under the guidance of the party and the leader.

It is extremely foolish to slander a new life of socialism by reviving outdated idea which has already been entombed by history. The value of the new can be measured only by a new yardstick. Reality shows clearly once again that the way of thinking of those who preach on returning to the old is not a new one. It is ridiculous for them to claim about a new way of thinking, although they are unable to distinguish collectivism from totalitarianism. It is nothing but a farce to revive capitalism while distorting socialist reality by means of the outmoded way of thinking and old yardstick. We must derive a due lesson from the setback of socialism in some countries and resolutely reject all sorts of slander of it by good- for-nothings and advance more vigorously towards a bright future of humanity, displaying such intelligence and courage as turning misfortune into a blessing.

KCNA Lauds Article

SK0403144093 Pyongyang KCNA English 0539 GMT 4 Mar 93

[Text] Pyongyang, March 4 (KCNA)—The dear leader Comrade Kim Chong-il published a talk "Abuses of Socialism Are Intolerable" in KULLOJA, organ of the Central Committee of the Workers' Party of Korea, on March 1, 1993.

Noting that the enemies of socialism are abusing socialism as of being "totalitarian", "barrackslike" and "administrative and commanding", distorting the situation as if socialism had suffered a setback because of this, he said:

Today the machinations of the renegades to vilify socialism are becoming more heinous. This is a frantic scheme to justify their perfidy and check the rebirth of socialism. That they are defaming socialism slandering it as being "totalitarian", "barrackslike" and "administrative and commanding" even today when socialism has been disintegrated and capitalism has been revived in many countries, shows that the renegades of socialism are revealing their despicable true colours as the stooges of imperialism more clearly.

Blaming socialism as being "totalitarian," "barrackslike" and "administrative and commanding" is an absurd sophistry.

Totalitarianism served as a political idea of the fascist dictators.

The reactionary nature of totalitarianism is that it sacrifices the interests of the working people for the sake of the rapacious interests of the reactionary ruling class under the pretence that the individual should be subordinated to the total. What is meant by the total in totalitarianism is not the whole of the popular masses but a tiny handful of privileged circles such as monopoly capitalists, big landowners, reactionary bureaucrats and warlords. Blaming socialism, in which the popular masses are the masters of everything, as "totalitarianism" is, after all, a preposterous sophistry which identifies the most progressive idea reflecting the demand of the popular masses with the reactionary idea of the fascist rulers.

Denouncing socialism as being "barrackslike" is also a preposterous sophistry.

Restraining the independence and creativity of the masses of people is not the socialist but the capitalist system. The capitalist society where the working people are the slaves of capital cannot ensure their independent and creative, fruitful life. Speaking ill of socialism as being "barrackslike" is a pernicious propaganda turning black and white.

Accusing socialism of being "administrative and commanding" is also an unreasonable sophistry. In capitalist society where the economic life is formed spontaneously on the principle of the market economy the state and social administration is conducted thoroughly by the administrative and commanding method and the popular masses, the target of control, are only in duty bound to obey the administrative orders. Contrary to this, in socialist society the popular masses who have become

the masters of the state and society hold the position of masters and play the role of masters in administration as well. The fundamental characteristics of state and social administration by the popular masses are that priority is given to political work in all activities and the superior assists those under him and they cooperate with one another in a comradely manner. This is fundamentally different from the bureaucratic method of management for imposing everything on administrative orders in the old society. The renegades of socialism directed the spearhead of attack against the principle of democratic centralism on the pretext of opposing the "administrative and commanding" method. Those who were creating an anarchic condition while emasculating centralism under the slogan of "democracy" have destroyed socialism and are now openly taking the road to bourgeois dictatorship.

If the socialist cause is to be defended and completed to the last, the socialist idea should be developed and perfected constantly and the popular masses be equipped with it, thus making them accept socialism as their unshakable conviction. They can keep faith in socialism only when they are convinced of the justness of the cause of socialism.

The great leader Comrade Kim Il-song created the chuche idea and, on this basis, has newly developed and perfected the socialist idea. The chuche-based socialist idea has made it clear that socialist society is the most advanced society where the popular masses are the masters of everything and everything serves them and that it is a society which develops steadily on the strength of their unity. Our people maintain this justness as their firm conviction, so they are firm and steady on the road of socialism in any storm of anti- socialism.

If former socialist countries had developed and perfected the socialist idea in conformity with the requirements of the times and the developing revolution and had equipped the popular masses with it and thus made them accept socialism as their firm conviction, the tragic events would not have occurred—the events that the popular masses failing to see through the reactionary, corrupt nature of the capitalist society, and harbouring illusions about it, wavered ideologically and thus frustrated socialism.

Moreover, we should see to it that the people have an unshakable faith in socialism and regard it as their moral duty to defend it. Socialism strikes deep roots in our actual life, when socialist morality based on revolutionary comradeship and obligation is established and it becomes a common practice in life. Betrayals of revolution appear in the process of socialist construction because they have not made socialism their faith nor made it their morality. The cause of socialism is that of the people and the betrayal of the socialist cause is the batrayal of the people. The betrayal of the people is a manifestation of the greatest immorality.

That those who used to talk about their loyalty to the cause of socialism in the past have become renegades of socialism overnight is, in the long run, due to their failure to make socialism their own conviction and morality.

The party and etate of the working class should concentrate their efforts on displaying the superiority of socialism to the full by building it well.

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Politics is exercised by certain political organizations. For the people of socialist society to exercise their rights and discharge their responsibilities as the masters of the state and society they must have a political organization which represents their will and interests. The representative of the peoples will and interests in socialist society is the party and government of the working class. In socialist society the working-class party is the supreme political organization and the government is the most comprehensive political organization.

The essence of the working-class party and socialist government lies, above all, in that they serve the people. Only when the working-class party and socialist government adhere to the stand that they serve the people can they carry out class struggle and exercise political power properly to meet the requirements of the popular masses for independence. That they serve the people is the essence and superiority of the working-class party and government which are fundamentally different from the party and government of the exploiting class.

Abuse of power and bureaucratism are the product of anti-socialist idea and the expressions of anti-socialist methods. In order to eliminate the abuse of power and bureaucratism in socialist society, all the officials should have the spirit to serve the people faithfully. If the abuse of power and bureaucratism are allowed to grow in socialist society they will alienate the masses of people from the party and state, and the enemy of socialism will exploit this. The situation of those countries in which socialism has been collapsed precisely shows this. What the people have got as a result of the collapse of socialism is not the "human and democratic socialism" but capitalism in which exploitation, oppression and social inequality are dominant and all kinds of crime and social evils prevail. In those countries where socialism collapsed and capitalism was revived the abuse of power and bureaucratism have not disappeared but have become institutionalized and legalized and have become the prevalent social instances.

One intrinsic superiority of socialism is that here everything serves the popular masses. That everything serves the people means that in socialist society all the activities of the party and the state are geared to providing the people with genuine freedom and right as well as with an

affluent and cultured life the enemies of socialism slander viciously that the independent and creative life which the party and the state provide to the masses of people in a responsible way as a "barrackslike" life.

Socialism provides the people with a rich and cultured life. The long cherished desire of the people to live free from any worries can only be realized in a socialist society in which the party and the state ensure the people's life in a responsible way. In a capitalist society a carefree life for the working people is inconceivable. In this society even those who are fairly well to-do are always ill at ease fo. fear of being bankrupted, losing jobs, and suffering poverty at any moment. The creative, sound, and equal life which is in conformity with the intrinsic requirements of people can be full put into effect only in socialist society in which the party and the state are responsible for the life of the people.

The most important aspect of people's life is to realize the demand of their political integrity to unite and cooperate with one another amid the love and trust of the social community. It is only in socialist society in which all kinds of privileged [word indistinct] of people have been liquidated and genuine freedom and rights are ensured for the [word indistinct] the leadership and care of the party and the state that they can lead a life worthy of human beings meeting the demand of their political integrity.

Socialism provides all the conditions for people to lead a stable life amid well regulated social order.

Renegades of socialism continue to repeat the old tune such as "barrackslike" and so on, the falsity of which has already been clearly revealed. They are doing this in their foolish attempt to hide their treachery in making the working people the victims of unemployment, poverty, crimes, and social evils.

Another intrinsic superiority of socialism is that this society continues to develop on the united strength of the popular masses.

The establishment of the socialist system creates the social and economic conditions for all the members of the society to unite and cooperate based on one ideology; however, unity and cooperation of the people cannot be achieved spontaneously in order to strengthen the unity and cohesion of the whole of society, education in socialist ideology must be improved among people. In the past, however, the remoulding of people's ideological consciousness was neglected in the practice of socialism because of the failure of the understanding that the basic driving force of the development of a socialist society lie in the unit and cooperation of the people based on a high degree of their ideological consciousness. In particular, there were tendencies to rouse people's enthusiasm for production by means of such economic levers as material incentives, seeking the driving force of the development of socialist economy in the economic factor of adapting the production relations to the character of the productive forces. This lever of material incentive must be used on the basis of giving priority to the education in socialist ideology. In those countries which gave up education in socialist ideology and encouraged egoism in the building [words indistinct] economy became stagnant, and taking advantage of this, they went as far as denying the leadership of the working-class party and state over the socialist economy on the excuse of opposing an administrative and commanding style and introducing the capitalist market economy.

Political leadership and centralist and planned guidance of the economy is a basic task of the working-class party and state in socialist society. It is because they are in duty bound to look after the life of the popular masses. How to give cope to the supriority of the socialist economy depends on how the party and state give guidance to the economy.

The renegades of socialism are converting socialist ownership into private ownership, claiming that the "administrative and commanding system" relies on the absolute dominance of state ownership it is clear that if socialist ownership is dissolved to be converted into private ownership, the means of production which have been made private will be concentrated, sooner or later, in the hands of the privileged people, speculators and a handful of other exploiters, no matter what the metod of privatization may be. As historical acts show, denying the guidance of the economy by the working-class party and state and doing away with socialist ownership is none other than reviving the capitalist exploiting system, under whatever pretext it is perpetrated.

All the anti-socialist, evil propaganda which accuse socialists of being "totalitarian," "barrackslike" and "administrative and commanding" is after all [words indistinct] collectivism is embodied most thoroughly. In our country there are no jobless persons, nor those who are unable to receive education and medical treatment, nor vagrants and beggars. All the people in our country are blooming their creative talents to the full at their work places which are suited to their aptitudes and abilities and are leading an equitable and wealthy life without any worry about their lives; they are taking part in an independent political life as masters of the state and society, enrolled in their relevant socio-political organizations. The party serves the people and the latter, upholding the former's leadership, share good times and bad with one another. Herein lie the infinite pride and the source of invincible power of our people. Our socialism is unshakable in whatever storms. This is because the single-hearted unity among the leader, the party and the people has been realized creditably and the people are building a new life in conformity with their independent demand under the guidance of the party and the leader.

It is extremely foolish to slander a new life of socialism by reviving an outdated idea which has already been entombed by history. The value of the new can be measured only by a new yardstick. Reality shows clearly once again that the way of thinking of those who preach

on returning to the old is not a new one. It is ridiculous for them to claim about a new way of thinking, although they are unable to distinguish collectivism from totalitarianism. It is nothing but farce to revive capitalism while distorting socialist reality by means of the outmoded way of thinking and old yardstick. We must derive a due lesson from the setback of socialism in some countries and resolutely reject all sorts of slander of it by good-for-nothings and advance more vigorously towards a bright future of humanity, displaying such intelligence and courage as turning misfortune into a blessing.

Cuba Signs Cooperation, Payments Protocol

SK0503050593 Pyongyang KCNA in English 0422 GMT 5 Mar 93

[Text] Pyongyang, March 5 (KCNA)—A protocol of the 16th session of the Economic and Scientific-Technological Consultative Committee, a protocol of the subcommittee of scientific and technological cooperation and a protocol on the mutual delivery of commodities and payments for 1993 were signed between the governments of the Democratic People's Republic of Korea and the Republic of Cuba in Havana on March 1.

The protocols were signed on the Korean side by Yi Song-tae, chairman of the State External Economic Affairs Commission and on the opposite side by Foreign Trade Minister Ricardo Cabrisas.

Commentator Denounces Inspections, Team Spirit

SK0503015993 Pyongyang Korean Central Broadcasting Network in Korean 1149 GMT 2 Mar 93

[Commentary by station commentator Chong Pong-kil: "Act of Leading the Situation to Brink of War"]

[Text] A foreign press source reports that the U.S. imperialists on 28 February had their extra-large aircraft carrier "Independence" and guided missile cruiser "Bunker Hill" enter the Sasebo port in Nagasaki Prefecture, Japan, a port close to the northern half of the Republic, for these ships to participate in the criminal Team Spirit-93 joint military exercise.

The U.S. imperialists brought enormous aggressive armed force into South Korea from the bases in U.S. mainland and the Pacific area and deployed them in operational areas. In addition, they deployed the extra-large carrier and guided missile cruiser in the area near the northern half of the Republic. This means that the U.S. imperialists intend to conduct by all means the Team Spirit-93 joint military exercise at a practical mobilization stage. This is a vicious challenge to our people and the world's peace-loving people who demand the cancellation of the Team Spirit joint military exercise.

It is a fact officially known to the world that the Team Spirit war exercise is a war maneuver which stands in the way of peace and peaceful reunification on the Korean peninsula and extremely strains our country's situation to an extreme point. This is why our people and the world's peace-loving people have persistently struggled to suspend the Team Spirit joint military exercise. They strongly called for the cancellation of the Team Spirit war exercise when the U.S. imperialists and South Korean puppets declared its resumption this year. Even today, they demand that the Team Spirit war exercise be canceled immediately.

Nevertheless, the U.S. imperialists and the South Korean puppets, as soon as they declared the staging of the Team Spirit-93 war exercise, brought enormous aggressive armed force into South Korea from the military bases on the U.S. mainland and the Pacific area and deployed them in advanced areas. Recently, they also mobilized and deployed corps of assault planes, pursuit-assault-planes, vertical take-off and landing assault planes, and F-16 fighter- bombers loaded with nuclear weaponry from the U.S. bases on the Japanese mainland and abroad.

South Korea's skies and lands are covered with vast aggressive armed forces and war equipment which are being mobilized in the Team Spirit war exercise. The U.S. imperialists and South Korean ruling circles, driving the entire land in the South into an atmosphere of war and leveling all guns at the northern half of the Republic, have deployed the extra-large carrier and a guided missile cruiser in the area near the Korean peninsula. This is an intentional maneuver to lead the country's situation to the brink of nuclear war and causes the world people to deeply worry.

The U.S. imperialists and the South Korean puppets, while raving about a so-called special inspection of us, are leading the situation to an extreme state by deploying the extra-large aircraft carrier "Independence" and guided missile cruiser "Bunker Hill" in the area near the northern half of the Republic. We cannot connive at this.

As it is known, the U.S. imperialists, providing forged information on our Republic, had the International Atomic Energy Agency [IAEA] adopt an unfair resolution that forces us to accept a special inspection of our military facilities, which have nothing to do with nuclear inspection, during the IAEA's Board of Governors February meeting. This outrageously encroaches on our Republic's right to self-defense and security. This also tramples upon international justice and fairness. This is why we made it clear that we cannot accept this kind of unfair resolution.

However, the U.S. imperialists, while conducting the Team Spirit-93 war exercise in a more earnest manner, have intensively deployed ultramodern war equipment and means such as extra-large aircraft carrier and guided missile cruiser in the area near the northern half of the Republic. Such a maneuver by the rascals is nothing but an attempt to dominate our people by means of strength and to realize their brigandish demand.

Various facts show that the U.S. imperialists' brigandish act is being committed at a more grave stage and that the Team Spirit-93 joint military exercise will be conducted

in a more frantic manner as an exercise of northward war of aggression against the northern half of the Republic. However, the U.S. imperialist and the South Korean ruling circles should clearly know that they cannot scare our people with military threat and should discretely behave.

Our people will not tolerate by any means the attempt of anyone to trample on our nation's dignity and violate the country's right to self-defense, which is our life. Our people do what they decide to do, and don't when they decide not to. We do not make empty remarks.

The United States and the South Korean authorities should immediately discard the commotion over so-called special inspections and the Team Spirit-93 war exercise maneuver. They should withdraw all aggressive armed forces, including U.S. troops and nuclear weapons, from South Korea without delay.

Those who like to play with fire will be reduced to the fate of a tiger moth.

NODONG SINMUN Warns U.S., ROK of 'Disgraceful Defeat'

SK0503045693 Pyongyang KCNA in English 0433 GMT 5 Mar 93

["They Must Not Make Mistake"—KCNA headline]

[Text] Pyongyang, March 5 (KCNA)—If the United States and the South Korean authorities dare start a war in defiance of our warnings, the aggressors will suffer a disgraceful defeat, declares NODONG SINMUN today.

The United States is hurling B-1B supersonic large strategic bomber, F-117 Stealth bomber which is boasted of being a high-tech aircraft, Patriot ground-to-air missiles and other latest-type weapons in the "Team Spirit 93" joint military exercises which will get into full stride in South Korea from March 9, the analyst notes, and stresses:

The "Team Spirit 93" is a nuclear war rehearsal most dangerous ever among such kind of manoeuvres held in South Korea.

The U.S. and South Korean rulers who have escalated the "nuclear" campaign with outcries over the ficticious "nuclear problem" of the DPRK are rendering the situation extremely strained, calling for international "sanctions" against the DPRK and a "special inspection" of it.

Everyone can foresee that the United States, with the South Korean authorities, may unleash a war against the DPRK under the pretext of "checking its nuclear development" after massing armed forces in South Korea for the "Team Spirit."

The aggressors, however, must not make a mistake.

Military threat can never go down with the DPRK.

The Korean people do not want a war but they will never allow the aggressors to provoke them.

The United States must give up the Sisyphean efforts to gratify the aggressive design which it failed to do in the '50s and act with discretion.

Links U.S. Forces, Danger of Nuclear War

SK0503045993 Pyongyang KCNA in English 0407 GMT 5 Mar 93

["U.S. Troops Pullout Is Vital to Obviating Danger of Nuclear War on Korean Peninsula"—KCNA headline]

[Text] Pyongyang, March 4 (KCNA)—The withdrawal of the U.S. Forces from South Korea is the key to the removal of the danger of a nuclear war on the Korean peninsula, says NODONG SINMNUN in a by-lined article today.

It notes:

To denuclearize the Korean peninsula and bring the nuclear war game to a halt in South Korea are urgent tasks which must be fulfilled without fail for peace and security in Korea and in Asia and the rest of the world.

The denuclearization of the peninsula boils down, in essence, to the elimination of the nuclear weapons and nuclear bases of the United States in South Korea.

If the nuclear weapons are to be withdrawn and the nuclear bases be dismantled in South Korea, the U.S. Forces which are threatening the Korean people with them and bringing the situation to the brink of a war must be withdrawn from South Korea.

For the denuclearization of the peninsula and the removal of the danger of a nuclear war, it is also required of the United States to rewrite the aggressive Korean policy, a legacy of the Cold War period, and renounce the nuclear big-stick policy.

The United States, availing itself of its military occupation of South Korea, is persistently resorting to the moves of aggression and war.

Holding in check South Korea's nuclear arms development which has reached a dangerous stage is possible only when the U.S. Forces which have zealously backed it are withdrawn from South Korea.

If the U.S. Forces and their nuclear weapons were withdrawn from South Korea and South Korea's nuclear armament checked, the danger of a nuclear war would be dispelled from the peninsula and a broad way be opened for a peaceful reunification of the country based on national reconciliation and unity.

The United States must stop the criminal "Team Spirit" joint military exercises and take steps to pull its troops and nuclear weapons out of South Korea.

Berates 'Nuclear Warmaniacs'

SK0503105793 Pyongyang KCNA in English 1039 GMT 5 Mar 93

["History Will Punish Traitors"—KCNA headline]

[Text] Pyongyang, March 5 (KCNA)—The South Korean authorities are grossly mistaken if they think they would come off unscathed in case the Korean peninsula was turned into the theatre of a nuclear war, warns NODONG SINMUN in a by-lined article today.

The South Korean authorities are heinous criminals who brought the danger of a nuclear war to the Korean peninsula by leaving South Korea as the biggest nuclear arsenal of the United States in the Far East, the article says, and continues:

The successive rulers of South Korea have entreated for the U.S. imperialist aggression forces' occupation of South Korea and "protection" with the "nuclear umbrella", turning down peace proposals of fellow countrymen.

It is clear to anyone that, with such nuclear war servants present in South Korea, it was possible for the U.S. imperialists to bring into South Korea more than 1,000 pieces of nuclear weapons by the mid-70s after it made the first shipment of nuclear weapons into South Korea 35 years ago and to deploy there even neutron bombs called "satanic weapon" in the 80s.

The successive rulers of South Korea have not only brought U.S. nuclear weapons into South Korea but also have done such despicable acts as guarding and hiding them.

A few years ago, the KYODO News Service of Japan reported that the commander-in-chief of the U.S. Pacific forces issued the order that, if an accident occured to nuclear weapons in the areas where U.S. forces were stationed, the evidence should be cleared away as promptly as possible and, if possible, it should be accounted for as conventional high-effective explosive.

The South Korean authorities, ignoring this shocking report, did not even confirm the fact.

When it was revealed that a new nuclear arsenal was built in the depth of Mt. Kyeyong, Kongju, South Chungchong Province, under the top-secret code "Project 620", causing a big stir, they avoided an answer to a "National Assembly" interpellation allegedly for "security reasons".

The South Korean rulers have hastened the nuclear arms development under the "nuclear umbrella" of the United States and are now running wild in an effort to ignite a nuclear war.

It is also the South Korean nuclear warmaniacs who are recklessly trying to unleash a fratricidal war, while acting a shock brigade in the imperialists' "special inspection" campaign against the Korean nation and crying for international "sanctions".

The South Korean authorities would be well advised to act with discretion, using their own brain, not dancing a sword dance to the tune of others which may result in stabbing themselves.

KCNA Reviews 5 Mar Pyongyang Press

SK0503054793 Pyongyang KCNA in English 0453 GMT 5 Mar 93

[Press review]

[Text] Pyongyang, March 5 (KCNA)—Papers here today carry a messsage of greetings President Kim Il-song of the Democratic People's Republic of Korea sent to Glavkos Kliridhis upon his assumption of office as president of the Republic of Cyprus.

Conveyed in the press are an account of the 28th national scientific forum on the chuche idea held in Japan on the occasion of the birthday of the dear leader Comrade Kim Chong-il and a letter to the great leader President Kim Il-song adopted at the forum.

The press informs the readers that Comrade Kim Chong-il was awarded an honorary citizenship card of Guatape, Antioquia State of Colombia and a function for naming the Tovias Jimenes Cultural House Library Kim Chong-il Library was held in Guatape city.

Appearing in the press are messages of greetings to Comrade Kim Chong-il from foreign party leaders on his birthday.

Jorge Valeros, international secretary of the Movement to Socialism of Venezuela sent a letter of thanks to Comrade Kim Chong- il before leaving Korea, says NODONG SINMUN.

Under the title "Dear Comrade Kim Chong-il Is Great Leader of the Present Times", the daily reports that the birthday of Comrade Kim Chong-il was grandly celebrated abroad.

MINJU CHOSON carries repercussions of the classical work of Comrade Kim Chong-il "Abuses of Socialism Are Intolerable" upon Korean officials and working people.

NODONG SINMUN editorially calls for stepping up socialist construction by bringing patriotism into full play.

Figuring large in the daily is a report that colliers of the fourth coal cutting workteam of pit No. 2 of the Sinri coal mine of the Anju district coal mining complex and the Kim Myong-il tunnelling sub-workteam of the Toksong coal mine of the Tokchon district coal mining complex resolved to fulfil their yearly assignments till the 40th anniversary of the victory of the Korean people in the Fatherland Liberation War.

The press observes the day of the agricultural working people.

Given in the press is news that a ceremony for the completion of the Yun I-sang concert hall was held, a protocol of the 16th meeting of the econmmic and scientific-technological consultative committee, a protocol of the subcommittee of scientific and technological cooperation and a protocol on the mutual delivery of commodities and payments for 1993 were signed in Havana between the Governments of the DPRK and Cuba.

Seen in the press is a statement of the Central Committee of the General Federation of Trade Unions of Korea supporting the powerful struggle of the South Korean workers for wage hike which is gaining momentum these days.

According to the press, a central meeting of Koreans in Japan denouncing the "Team Spirit 93" joint military exercises was held in Tokyo and the U.S. imperialists are deploying huge Armed Forces in South Korea for the war game.

NODONG SINMUN in a commentary brands the "Team Spirit" joint military exercises this year as a more dangerous nuclear war game than the previous one.

An article of the daily exposes the criminal acts of the South Korean authorities in turning South Korea into the biggest nuclear depot of the United States in the Far East.

The daily rounds up foreign public voices demanding that the illegal "special inspection" of the DPRK must not be allowed.

It is reported in the press that Comrade Fidel Castro called for expanding the victory in the election through the labour for production and the general secretary of the African National Congress of South Africa denounced the moves of the authorities to frustrate the democratic process in the country.

NODONG SINMUN in an article says that Japan is taking an active part in the "Team Spirit" joint military exercises to increase the overseas military operation capacity of the "Self-Defense Forces".

'U.S. Imperialists' Mass Troops

SK0503045793 Pyongyang KCNA in English 0424 GMT 5 Mar 93

[Text] Pyongyang, March 5 (KCNA)—The U.S. imperialists, entering March, have massively deployed their troops for the "Team Spirit 93" exercises from the United States and Japan proper, Hawaii and Guam, according to military sources.

Tens of thousands of their aggressor troops have already been put in readiness for action in operational zones of South Korea.

They also introduced from their overseas bases hundreds of 155 mm and 105 mm Howitzers, anti-aircraft missiles and large-calibre guns, several hundred heavy tanks, armored vehicles, trucks and scores of warplanes of different types and combatant ships. They are now concentrated on the ground and seas of South Korea.

On March 3, they staged a joint ground strike exercise with more than 350 warplanes of various types.

Hong Kong Reportage on DPRK Protest to PRC

WA0503134093

For Hong Kong reportage on the DPRK protest memorandum of protest sent to the PRC in 1992 over the establishment of relations with the ROK and on the PRC's response, see the Northeast Asia section of the 5 March issue of the China DAILY REPORT.

South Korea

Russia, 5 Others To Observe Team Spirit

SK0503125393 Seoul YONHAP in English 1230 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—Russia and five other countries have notified the Defense Ministry of their decision to send observers to this year's Team Spirit military training exercise.

Defense Ministry spokesman Pak Chae-uk said Friday that the countries are Singapore, the four member countries of the Neutral National Supervisory Commission (NNSC)—Poland, Czech, Switzerland and Sweden—in addition to Russia.

Ten senior military officers including some generals from the six countries will stay in South Korea from March 7 through 18 to observe the joint Korea-U.S. training exercise, Pak said.

Russia will send its military attache in Korea as an observer. It will be the first time for Russia to observe the exercise. Signapore was not invited but volunteered to witness it, he said.

Through the office of South-North dialogue and Foreign Ministry, South Korea and the United States on last Jan. 26 invited North Korea, China, Russia and the four NNSC member nations to observe the Team Spirit exercise.

ROK, DPRK Foreign Ministers May Meet in Bangkok

SK0503083293 Seoul YONHAP in English 0711 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—The foreign ministers of the two Koreas may meet next month at a session of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP) in Bangkok, the South Korean Foreign Ministry said Friday.

"North Korea is likely to send Foreign Minister Kim Yong-nam to the ESCAP session since it is showing diplomatic and economic interest in the Asian region," a

ministry spokesman said. "Once we know for sure that Kim is going, we will try to set up a meeting between the two foreign ministers."

The Bangkok session April 21-23 is expected to be Foreign Minister Han Sung-chu's first overseas trip since taking office Feb. 26. Han has already agreed to meet with Chinese Foreign Minister Qian Qichen in Bangkok.

North Korea became an ESCAP member last year.

Kim Chong-u, deputy chairman of North Korea's external economic comission, is now leading an economic delegation on a three-week tour of Southeast Asia since mid-February.

Japan To Ask UNSC To Take Up DPRK Nuclear Issue

SK0503003493 Seoul YONHAP in English 0013 GMT 5 Mar 93

[Text] Tokyo, March 5 (YONHAP)—The Japanese Government will propose to the United Nations Security Council that it take up the North Korean nuclear issue if Pyongyang does not accept the International Atomic Energy Agency [IAEA]'s request to conduct special inspections of its nuclear facilities by March 25, Japan's KYODO news service reports.

Quoting unidentified Japanese Foreign Ministry sources, KYODO said Thursday the Japanese Government believed suspicion on North Korea's nuclear development was posing a grave threat to peace and security of the Northeast Asian region.

If Pyongyang continued to refuse to accept the IAEA's special inspections, Japan planned to propose referring the question to the Security Council at the IAEA Board of Governors meeting scheduled to be held after March 25, KYODO said.

And if the United Nations took up the issue, there was a strong possibility that it would adopt a resolution forcing IAEA special inspections on North Korea as it did on Iraq last year, KYODO said.

There are doubts, however, whether the Security Council could take strong action against North Korea since China and Russia are showing a cautious approach on the question, KYODO said.

Envoy to Austria Returns for Consultations

SK0503015493 Seoul YONHAP in English 0131 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—South Korean Ambassador to Austria Yi Si-yong has returned to Seoul for consultations on North Korea's nuclear problem, Foreign Ministry officials said Friday.

Yi arrived Thursday and is to stay a week to report to Foreign Minister Han Sung-chu and to presidential aides.

The ambassador is Korea's representative to the International Atomic Energy Agency (IAEA) and on the IAEA Board of Governors.

The IAEA board adopted a resolution last month setting a March 25 deadline for North Korea to accept special inspection of two suspected sites believed to store nuclear waste.

The agency demands to see the sites to verify the amount of plutonium North Korea has extracted.

Pyongyang repeatedly denies that the suspected facilities are related to its nuclear program and says it will not comply with the IAEA resolution.

Japanese Envoy Denies Change in DPRK Policy

SK0503084793 Seoul YONHAP in English 0759 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—Japan has not changed, as suggested by recent press reports, its policy toward North Korea, Japanese Ambassador to Seoul Toshio Goto said Friday.

Seoul and Tokyo needed to establish forward-looking relations, Goto told Foreign Minister Han Sung-chu, proposing joint projects such as history research and conferences.

The Japanese ambassador, paying a courtesy call on Han, urged cooperative efforts to resolve various sensitive issues between the two countries, ministry spokesman said.

Japan's refusal to admit that it used force in recruiting sex slaves for its army during World War II and Korea's snowballing trade deficit with Tokyo are the two most serious problems in bilateral ties.

Han called for Tokyo to exert "political will" in untangling the issues, saying there was a wide gap between ideals and reality in bilateral relations, the spokesman said.

Goto affirmed that Japan has not changed its North Korea policy, referring to recent remarks by Japanese officials that Pyongyang's compliance with a special nuclear inspection by the International Atomic Energy Agency is not a prerequisite to resuming diplomatic normalization talks.

They agreed on an early foreign ministers' meeting but did not discuss specific dates, the spokesman said, but working-level officials are consulting on the details.

North Korean Lack of Electricity Reported

SK0503052893 Seoul HANGUK ILBO in Korean 4 Mar 93 p 2

[Text] Japan's MAINICHI SHIMBUN reported on 4 March that North Korea recently formulated "regulations on the use of electric appliances," including electric irons, that will restrict their use.

MAINICHI SHIMBUN reported: MINJU CHOSON, an organ of the North Korean Government, reported on 25 February that the North Korean State Administration Council had approved the newly adopted regulations to restrict the use of electric appliances. The purpose of the regulations is to establish a system and order for using electric appliances, as well as to increase control over using them effectively and thus minimizing overconsumption.

The new regulations require that government organizations, enterprises, social organizations, and residents use electricity for heating or cooking only in places the government has approved. It calls on government organizations to register for permission when they use electric appliances.

The regulations also require that electric irons, appliances that use less than 50 watts, and sterilizers and hair driers used in either barbershops or beauty shops be registered at the power supply organizations.

The paper added: North Korea's adoption of regulations on restricting even the use of electric irons clearly shows that its chronic electricity shortage is very serious. Since having to pay foreign currency for its crude oil imports from Russia and China, North Korea's crude oil imports have decreased even more. North Korea's lack of electricity is getting worse each day.

DPRK Selling Used Japanese Cars to PRC

SK0403142193 Seoul CHUNGANG ILBO in Korean 4 Mar 93 p 1

[Report by Beijing-based correspondent Chon Taek-won]

[Text] North Korea has recently been purchasing second-hand Japanese cars in large quantities and selling them to third countries including China in a bid to obtain foreign currency, a relevant source in Beijing said on 3 March.

Seven to eight North Korean firms such as Taesong Trading Company signed contracts with Japanese partners late last January for the importation of 500 to 800 used cars for each lot, a total of some 4,000 used cars, according to this source.

North Korea imports second-hand Japanese cars with a mileage of over 50,000 kilometers at prices ranging from $2,000 to $4,000 each and brings them to Chongjin port. With a simple maintenance check, North Korea sells the second-hand cars to China and other countries shipping them by land at a profit of $2,000 for each car.

Tougher U.S. Customs Control May Harm Exports

SK0503015793 Seoul YONHAP in English 0128 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—Tough new U.S. customs regulations on goods from the Pacific Ocean region will deal a harsh blow to South Korea's exports to the United States.

Reports from Korean customs attaches say the regulations are aimed primarily at Japan and China, which have ballooning trade surpluses with the United States, but they will eventually affect Korea so Korean traders should work out countermeasures at once.

The U.S. Customs will strengthen customs clearance procedures for Japanese imports and crack down on imports of goods with false certificates of origin from china, they said.

The U.S. General Accounting Office [GAO] recently told the customs service was failing to crack down on goods violating trade regulations and accused it of being negligent in enforcing the law.

The GAO is seeking policy changes on imports from the Pacific region to strengthen implementation of trade regulations, according to Korean customs administration sources.

The sources said that the chief of the customs service in Los Angeles, California, recently announced that his office would beef up its inspections of imports.

Seoul Hopes To Host Human Rights Conference

SK0503033893 Seoul YONHAP in English 0307 GMT 5 Mar 93

[Text] Brussels, March 4 (YONHAP)—South Korea wants to arrange an Asia-Pacific human rights conference as part of its efort to actively promote human rights protection, its representative told a U.N. conference in Geneva Thursday.

"Korea agrees that human rights should be given a higher priority on the agenda of the United Nations," Ambassador to Geneva Pak Su-kil told the 49th session of the U.N. Human Rights Commission.

"My delegation anticipates a more active role on the part of the commission," Pak said.

The ambassador reminded the conference of the commitment of South Korea's new president to the cause, quoting from Kim Yong-sam's inaugural address in which he promised "a free and more mature democratic society."

"... I would like to inform the commission that the Korean Government is considering hosting a regional Asia-Pacific workshop on human rights issues in the near future," Pak said.

Promising participation at the world conference on human rights in Vienna in June, Pak said that his country "is fully preparead to participate actively in the world conference as part of its full commitment to the protection and enhacement of basic human rights and fundamental freedoms."

Representatives of the United States, European Community and Norway also addressed the meeting, and chastised North Korea for its poor human rights situation.

North Korea was the world's most repressed country and was like the nightmarish society depicted by George Orwell, U.S. Ambassador Richard Schifter, human rights adviser to U.S. President Bill Clinton, said.

North Korea's bankrupt economy was worsening human conditions for its citizens, Schifter said.

June's world conference on human rights in Vienna will be the largest meeting on human rights in the 25 years since the 1968 conference in Tehran.

World leaders and ranking government officials will attend the conference to discuss pending international human rights issues such as the crisis in the former Yugoslavia and the resurgence of Nazism.

The Asia-Pacific workshop on human rights is held annually under the sponsorship of the United Nations.

Kim Speaks at Military Academy Commencement

SK0503061993 Seoul YONHAP in English 0551 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—President Kim Yong-sam urged graduating cadets of the military academy to become officers who "breath with the people and who are loved by the people" Friday.

Korea's military should try and find a new role and status appropriate for the era of civilian government that dawned after more than 30 years, Kim told the 49th commencement exercise at the military academy on the eastern outskirts of Seoul.

"There had been unfortunate periods when the honor of a majority of military officers and men, who have followed their rightful path, was hurt," Kim said. "I believe we should correct that mistake and restore the honor."

The commencement exercise was attended by members of foreign diplomatic corps, Defense Minister Kwon Yong-hae, Gen. Yi Pil-sop, chairman of the Joint Chiefs of Staff, and government officials.

Sok Yong-kyu, 24, was commissioned with top honor, receiving the presidential award.

Kim, who says he intends to reform the government and rebuild the country, said there had to be changes and reforms in national security policy. He stressed active pursuit of the security policy and self-reliance.

"We have to institute a future-oriented security policy in which we should not only prepare for today's threats but also for the period after unification of the country," Kim said.

Declaring that North Korea's nuclear development plan threatened the world as well as the Korean peninsula, Kim called on Pyongyang to accept mutual and simultaneous inspections of nuclear facilities with the South.

"It would be a great misfortune for the Korean people if North Korea continued to refuse inspections among the Korean people and was forced to accept inspections by international organizations," he said.

Kim said the aims of his government's security policy were not to isolate or antagonize North Korea but to embrace the North Korean people and open a new era together.

South and North Korea should become partners for peaceful unification and development of the country, he said.

Gone were the days when the outcome of a war was decided on military strength alone, the president said.

"Our national security can be strong only when military ability works harmoniously with the diplomatic, economic and social potentials," he said.

Officials 'Chilled' by Severity of Reforms

SK0503015893 Seoul THE KOREA TIMES in English 5 Mar 93 p 2

[Text] A joke is going around the town saying that public servants, both the high-placed and rank-and-file, are feeling chilled by President Kim Yong-sam's aggressive and bold fight against corruption.

Kim, always smiling and affable, proves to have the character of determination.

He declared yesterday that he will keep his distance from under-the-table offers of political funds to the Chief Executive, a time-old practice in the past.

This is a "revolutionary" declaration, as he put it, and a clear message to all government officials.

Kim's declaration is meant to cut the traditional strong chain of money corruption between businessmen or individuals, and officials while he is in office.

He said, "It is an epochal change in our political history. No president in the past could say it."

Kim believes that success in his efforts to salvage the economy and the nation depends upon whether or not he will win his crusade against corruption, both in officialdom and every nook and corner of society.

He intends to show an example to the nation. He said, "Now, business firms do not have to worry about offering money to me."

He also ordered his Democratic Liberal Party [DLP] to take new shape in order to minimize its spendings.

President Kim has told the party leaders that he will not follow the past practice of supplying some political funds, urging them to stand on their own.

Kim wants the DLP to streamline its organization to cut the cost of its operation.

An aide to Kim revealed that the U.S.-style operation of political parties without permanent local chapters could be taken into consideration in studying the new shape of the DLP.

Kim was quick to dismiss Seoul Mayor Kim Sang-chol as controversy flared over his illegal development of land into a private garden.

Mayor Kim's case, along with that of Justice Minister Pak Hui-tae, who is President Kim's confidant, has put Kim Yong-sam on the horns of a dilemma.

However, President Kim did not go so far as to sack Minister Pak, whose morality was questioned for daughter's entry into a college taking advantage of her dual nationality under a "foreigners' quota" in admissions.

Critics said that Minister Pak will be a political burden to the President as he marches toward a New Korea through reform.

President Kim's aides suspected that the privileged under the past regimes are "systematically" trying to trip up Kim in his push for reforms and changes.

They are apparently attempting to find who of them, if any, masterminded the "evil ploy."

The episode regarding the Seoul mayor, along with that of Chon Pyong-min, apparently put President Kim in a quandary.

A ranking Chongwadae official said, "We are now afraid of announcing new appointments."

Minister Reportedly Bought Real Estate Illegally

SK0503125293 Seoul YONHAP in English 1217 GMT 5 Mar 93

[Text] Seoul, March 5 (YONHAP)—Health and Social Affairs Minister Pak Yang-sil has amassed a huge fortune through unlawful purchase of real estate.

It was confirmed Friday that Pak owns real estate worth tens of billion won by illegally purchasing lands and an apartment under the name of her children.

In 1986, for instance, Minister Pak moved, in paper only, the address of her son, Pak Chong-sin, now a physician, to Taegot-myon, Kimpo County when he was a junior of SNU Medical College and bought 2,200 pyong of "absolute farmlands" there in his name. Four months after the purchase, his address was brought back to Seoul.

By law, land categorized as an "absolute farmland" cannot be purchased by any one other than a farmer residing in the vicinity of the land at issue.

Again in 1991, Minister Pak also falsely moved the address of her daughter, Pak Chong-won, to Tongbu-Ichon-tong, Yongsan-ku, Seoul, and purchased under her daughter's name an apartment of the Ichon-tong Kongmuwon apartments set to be redeveloped.

In 1965, she bought 150 pyong of land at Che-tong, Chung-ku, Seoul under the name of then her three-year-old son, and built a 70-billion-won worth 10-story building there in 1991 in a joint scheme with the Cheil Life Insurance Co.

Besides, Minister Pak was learned to have purchased 1,000 pyong of land near Kochang, South Kyongsang Province, and another 600 pyong in Inchon under the name of her son.

Pak, whose husband died in 1965 and who had run an obstetrics and gynecology clinic until her appointment last week, presently has four sedans, one each for herself and three children, the membership of three to four golf courses and a condominium.

Minister Pak was booked by the police in 1969 for illegally conducting abortion operations and in last January was fined 300,000 won for improper handling of habit-forming drugs.

Minister Pak said, "I have paid inheritance and donation taxes on the real estate I have obtained. I will disclose details of the real estate I possess at the time of the registration of properties by senior public officials."

About the Ichon-tong Kongmuwon apartment she purchased, minister Pak said it was bought by her daughter, a bank employee, with a 40 million won loan from her bank.

Government Expected To Grant Amnesty to 40,000

SK0403141693 Seoul YONHAP in English 1225 GMT 4 Mar 93

[Text] Seoul, March 4 (YONHAP)—The government is expected to effect an amnesty affecting some 40,000 people on Saturday in observance of the birth of the new administration.

A government official said Thursday the amnesty will take the forms of special rehabilitation of civil rights, special commutation of prison terms and special parole.

Among those to be paroled will be more than 200 politically implicated prisoners who will include Rev. Mun Ik-hwan and six leftist prisoners aged 70 or older.

Also to be freed will be 16 involved in an arson at Tong-ui University in Pusan and 23 students involved in the assault of ex-prime minister Chong Won-sik at Hankuk University of Foreign Studies.

In special rehabilitation, about 8,000 ex-prisoners who have served out their terms will have their civil rights restored, the official said.

With regard to the decision to parole Rev. Mun, the official said many legal officials objected to his parole on

the ground that he had his prison term commuted only two months ago last December.

"But, we have decided to parole h...n in an extraordinary measure in line with President Kim's policy to promote grand national harmony on the occasion of the birth of the first civilian-led administration in about 30 years," he said.

The amnesty, however, will not affect those Chondaehyop leaders now in prison for pulling strings behind coed Yim Su-kyong's illegal visit to North Korea.

Thirty-six prisoners involved in the case of Sanomaeng, or Socialist Workers League and ex-solon So Kyong-won serving a prison term for his illegal visit to North Korea will not be freed either, the official said.

Medical, Pharmaceutical Data Base Available

SK0503063693 Seoul THE KOREA HERALD in English 5 Mar 93 p 3

[Text] EMBASE, a medicine and physiology data base, is now available from Dacom's data bank service, Chollian, Dacom said yesterday.

EMBASE, provided by Elsevier Science Publisher of the Netherlands, offers about 47 million bibliographies of pharmaceutics and physiology publications and about 4,000 journals that have been published since 1974 around the world, according to Dacom officials.

The officials said that, of the total EMBASE data, about 250,000 bibliographies of about 1,030 journals published since 1991 will be available from Chollian.

The EMBASE data service targets medicine manufacturers, medical institutions, and chemical and food industries, the officials said.

Dacom charges 500 won per minute for the service. Frequent users of the service can benefit from a discount rate of 30,000 won for the first three hours and 150 won per extra minute.

Text of the publications and journals listed in the EMBASE will also be available for 10,000 won per unit.

Dacom said that it purchased the EMBASE data from the Dutch publisher in the form of ...agnetic tape, which enables its direct distribution in the country.

Customers thus do not have to take into account time differences with foreign countries as they do in using other foreign data services available from Chollian, officials said.

Burma

Convention Panel Discussions Continue 5 Mar

BK0503080193 Rangoon Burma Television Network in English 1330 GMT 4 Mar 93

[Text] The panel discussions of four groups of National Convention delegates were held this morning and afternoon in respective meeting halls on the Kyaikkasan Grounds. The delegates discussed names and arrangements of groups of chapter headings contained in the speech by the alternate chairman delivered yesterday at the plenary session of the National Convention held in the Central Meeting Hall in the President's House compound on Ahlone Road, Yangon [Rangoon].

The panel discussion by delegates representing peasants was held at 1300 in Meeting Room No. 7. U Tin Maung Kyaw of Yesagyo, Magwe Division, chaired the meeting and U Thant Zin acted as secretary. The following delegates participated in the discussions: U San Beek of Haka, Chin State; U Aung Than of Chauk, Magwe Division; U Tin Nyunt, Kemmendine, Yangon Division; U Kyaw Aye, Kawkareik, Karen State; U Tun U, North Okkalapa, Yangon Division; U Thein Maung, Buthidaung, Rakhine State; U Kyaw Nyein, Kalaw, Shan State; U Maung Lon, Paungde, Pegu Division; U Aung Htay, Hlaingbwe, Karen State; U Tin Myint, Waw, Pegu Division; and U Lwi Zee, Dimawhso, Kayah State.

The meeting ended at 1430 after the delegates endorsed the names and arrangement of chapter headings contained in the panel chairman's speech at the plenary session.

The panel discussion by delegates representing technocrats and intelligentsia was held at 1000 today in Meeting Room No. 3. Rector U Aung Than chaired the meeting and U Kyaw Sein acted as secretary. The following delegates participated in the panel discussions in the morning: Taikatho Myat Thu, writer; U Hla Tun Aung, rector; Dr. Tha Hla Shwe, rector; U Thein Naing, professor; U Thein Oo Po Saw, nuclear scientist; Dr. Ne Win Aung Khin, professor; Dr. Than Htike, director general; and Dr. Mya U, rector.

When the meeting resumed in the afternoon, the following delegates participated in the discussions: U Thein Oo Po Saw, nuclear scientist; Daw Aye Than, professor; Daw Khin Mi Mi Tun, registrar; U Khin Soe, legal expert; U Zaw Myint Pe, director; U Soe Myint, deputy director general; and U Min Naing, painter.

The delegates then agreed to endorse the names and arrangement of chapter headings contained in the panel chairman's speech at the plenary session of the National Convention. The meeting ended at 1355 after the chairman delivered a closing speech.

The panel discussion by delegates representing public service personnel was held in Meeting Hall No. 8. U Kyi Aye of the Ministry of Planning and Finance chaired the meeting and U Hla Win acted as secretary.

The following delegates participated in the discussions: Dr. Khin Maung, Trade Ministry; Dr. Kyaw Win, Ministry of Health; Lieutenant Colonel Tin Latt of the Air Force, Ministry of Defense; and Daw Khin Than Tin of the Office of the Auditor General.

The meeting was adjourned at 1410 after the delegates agreed it should resume on 8 March.

The panel discussion by delegates representing especially invited delegates was held at 1000 today in Meeting Hall No. 2. U Sai Aung Tun, deputy chairman of the Burma Historical Commission, chaired the meeting and U Soe Lwin acted as secretary.

The following delegates participated in discussions: Dr. Tin Tin Hmun, chairman of the Burma Mother and Childcare Association; U Pe Chin, Northern Shan State Special Region No. 3; U Lwe Saing, Shan State Special Region No. 7; Daw Myint Than, member of the Myanmar [Burmese] Language Commission; U Pe Khin, retired ambassador; and U Mahtu Naw [former Kachin Independence Army insurgent according to bureau file], Northern Shan State Special Region No. 5. The meeting was then adjourned.

When the meeting resumed in the afternoon, the following delegates participated in the discussions: U Wan Tin, retired commissioner; U Kay Bebyan, Kayan National Guard; U Za Khung Ting Ring [former Kachin Independence Army insurgent], Kachin State Special Region No. 1; U Aung Kham Hti [former Pa-o National Organization insurgent], Southern Shan State Special Region No. 6; U Le Ju Lek alias U Aung Myint, Northern Shan State Special Region No. 2; U Yan Kyar Kwe alias U Khin Maung San, Northern Shan State Special Region No. 1; U Min Ein, Eastern Shan State Special Region No. 4; Dr. Han Saw, professor; Dr. Chan Tha alias U Nyi Nyi; and U Jin Paw Naw, Norther Shan State Special Region No. 5.

The meeting ended at 1445 after the panel agreed to resume the meeting on 9 March.

Brunei, Malaysia & Singapore

Malaysia

Commentary Views Russian Vice President's Visit

BK0503114193 Kuala Lumpur Voice of Malaysia in English 0800 GMT 4 Mar 93

[Station commentary]

[Text] Malaysia played host to an important visitor this week in the person of the vice president of Russia, Mr. Alexander Rutskoy. The three-day visit carried a special

significance extending an important milestone in bilateral relations since Malaysia and the former Soviet Union established diplomatic ties in 1957.

It was also timely as it came in the period of rapid changes in the international scene following the end of the Cold War. All ideological barriers have been removed as Russia's foreign policy is undergoing a period of renovation. Moscow now considers itself as part of both Europe and Asia or Eurasia. Malaysia has expressed its full support for the former communist republic's efforts in embarking on economic and political reforms.

During his visit, Mr. Rutskoy had a 90-minute meeting with the prime minister, Datuk Sri Dr. Mahathir Mohamed. Their discussions covered a wide range of topics, but focused on bilateral and economic ties. One subject that emanated from their talks was Russia's fresh offer with additional incentives to sell its MiG-29M fighter aircraft to Malaysia. Though no deal has been concluded, the Russian leader took pains to emphasize the advantages of purchasing these aircraft. The price appears to be relatively cheaper compared to that of aircraft on sale by Western manufacturers. They are also reported to possess greater combat ability and very reliable. The additional incentives that the Russians are offering include a training program and the possibilty of manufacturing aircraft spare parts in Malaysia under an offset program. This means that the payment for the aircraft could be, apart from cash, in the form of trading items and commodities such as palm oil.

Malaysia is also in a favorable position to offer its expertise in agricultural cultivation and privatization. There are ample opportunities available in both Malaysia and Russia, especially the public sector, to engage themselves in better trade and investment cooperation. Russia has been urged to explore possibilities in Malaysia in areas such as aerospace and the manufacture of vehicles with local partners. The Russians will be welcomed to take advantage of the forthcoming LIMA 1993 exhibition in Langkawi island at the end of the year. It will provide them with the opportunity to exhibit their aircraft and equipment and seek potential clients. Dr. Mahathir has also asked Mr. Rutskoy to consider holding a Russian week in Malaysia to display the various products which are relatively unknown in this country.

Judging by the tone of the overtures made by the visiting vice president, it is encouraging to note that Russia places high priority on the security of ASEAN and Southeast Asia. This is the time to set aside all enmity and suspicion. For ASEAN, Russia represents a new opportunity, a new market, and a place to acquire raw materials that are needed for this region's industries.

Where Malaysia is concerned, it is committed to strengthening economic and trade relations with all friendly countries. Russia is always welcome to share in this commitment based on equality and the mutual benefit of both peoples.

Paper Urges Thailand To Stop Border Intrusions

BK0503032393 Kuala Lumpur BERITA HARIAN in Malay 18 Feb 93 p 10

[Editorial: "Bangkok Should Firmly Deal With Intrusions"]

[Text] Problems along the Malaysian-Thai border are nothing new. Various committees have been established and many joint meetings held to seek a solution. It is hard not to include border problems in the agenda every time a Thai leader visits Malaysia. A Thai delegation led by Prime Minister Chuan Likphai did not forget to discuss the endless moldy problems with the Malaysian Government during a visit to Malaysia last month. The two countries agreed that the Joint Malaysia-Thailand Commission would convene a meeting in Bangkok in June to study problems along the common border. Thailand agreed to fully draw up its agenda. The proposed meeting will in fact be a follow-up to a resolution adopted at the meeting of the Joint Malaysia-Thailand Commission held in Langkawi last year.

We agree that border problems that frequently involve intrusions should be immediately settled to prevent incidents that may affect good relations between the two countries. Unfortunately, many intrusions have taken place as greater efforts have been exerted to seek a consensus. In the latest incident yesterday afternoon, six Thai customs officers intruded into an area adjacent to a Chinese temple about 10 meters from the security fence. They seized about 300 packets of palm oil belonging to Malaysian traders. This was the sixth intrusion since the first one occurred on 16 June 1991. The first intrusion also occured in a golden triangle bazaar belonging to Malaysia. Regrettably, the intrusion occured less than a week after Thai Defense Minister General Wichit Sukmak gave an assurance that Thai authorities would not intrude into Malaysia in the future.

We have no intention of interfering with Thailand's administrative affairs. However, yesterday's incident clearly showed that there was no direct coordination between administrative officers and authorities in charge of border affairs in Thailand. Based on reports, we wonder how the Thai customs officers had easily regarded a stone in that area as a border marking, while no decision had yet to be made. We have no intention of defending or protecting any persons, including Malaysians who are involved in smuggling activities in Thailand. We believe that like Malaysia, Thailand wants to firmly eliminate the activities. Accordingly, efforts to counter smuggling activities should be based on a spirit that the two sides are still in the process of achieving a consensus on border affairs. Malaysia's Anti-Smuggling

Unit will be fully cooperative if the Thai customs authorities ask for prior assistance in pursuing suspected smugglers who escape to Malaysia.

Certainly, this would be an easy and effective way without causing distrust. If cooperation in the economic field, including the planned establishment of a northern growth triangle, has proved workable, we see no reason why we cannot cooperate through good channels in eradicating the smuggling activities. Of course, we as a member of a regional grouping do not want to see and will feel ashamed of any failure to settle the problem which we regard to be trivial in the ASEAN spirit. Nonetheless, there is no guarantee that yesterday's case will not recur. We take the intrusion seriously. We can no longer accept Bangkok's policy of "throwing a stone and hiding the hand" under which it pretends not to know anything every time an intrusion occurs.

Addressing the 37th meeting of the General Border Committee in Kuala Lumpur on Wednesday, Gen. Wichit pledged to take stern action against Thai officials who intrude into Malaysia. We want to see the extent his pledge will be translated into action to deal with the latest case or whether the pledge is simply a lip service. Indeed, the incident has dissapointed and surprised us. Moreover, we are fed up with various guarantees that tend to project Thailand's administrative norms as being uncoordinated, inconsistent, and selfish. The action by the six customs officers was a blatant and excessive act which amounted to a direct disrespect of the existing understanding and aroused distrust on our part.

Minister Wary of Shiite Islamic Teachings

BK0403145393 Kuala Lumpur Radio Malaysia Network in Malay 1300 GMT 4 Mar 93

[Text] Datuk Abdul Hamid Osman, deputy minister in the Prime Minister's Department, says the government has exposed the propagation of Shiite Islamic teachings in the country so as to prevent local Muslims from being misled. Even though the situation is not critical, if left unchecked, the government believes the teachings will endanger and mislead local Muslims.

Speaking to reporters in Bangi, he said the government is concerned that the increasing number of Shiite Muslims entering the country as tourists will influence local Muslims if the trend is not checked as soon as possible.

Police Chief Concerned Over PRC Arms Smuggling

BK0503093793 Kuala Lumpur UTUSAN MALAYSIA in Malay 13 Feb 93 p 1

[Text] Kuala Lumpur, 12 February—The Malaysian police take a serious view to the smuggling of firearms from the PRC because it will bring about serious problems to this country. Expressing his concern over the issue, National Police Chief Tan Sri Haniff Omar said the smuggling of firearms from the PRC, which had earlier caused big problems to countries like Hong Kong, the Philippines, and Taiwan, has now become Malaysia's problem. He disclosed that four guns made in the PRC had recently been seized from several men.

Haniff said even though police had not established how many firearms had been brought into the country from the PRC, the smuggling issue must be viewed as a new problem which requires special attention. "My colleagues in Taiwan, the Philippines, and Hong Kong told me that the smuggling of firearms from the PRC into their respective countries is a serious problem," he said to reporters after opening a meeting of the Policemen' Wives Association in Bukit Aman today.

He added that the firearms smuggling was a result of the growing number of Malaysians visiting the PRC following the government's relaxation of regulations to visit that country. The police chief, however, did not reveal the identity of the arrested men and where the guns had been seized. "Those arrested for possession of the PRC firearms have criminal backgrounds," he said, adding that police are now investigating whether certain syndicates are involved in the smuggling of firearms from the PRC into Malaysia.

Minister Accuses Sultan of Assisting Opposition

BK0303123893 Kuala Lumpur NEW STRAITS TIMES in English 2 Mar 93 p 1

[By Rashid Yusof and Kula Shunmugam]

[Excerpt] Kuala Lumpur, Mon.—The sultan of Kelantan's statement that the February 11 Conference of Rulers was null and void was another attempt by the ruler to help his uncle, Semangat 46 [Spirit 1946 opposition party] President Tengku Razaleigh Hamzah, Finance Minister Datuk Sri Anwar Ibrahim said today.

Anwar, who is an UMNO [United Malays National Organization] vice president, said it is the sultan's last efforts to keep Razaleigh and Semangat 46 alive. "The sultan would do anything for Tengku Razaleigh, who is now leading the almost knocked-out Semangat 46," Anwar added.

He said this in response to claims by the sultan that the February 11 meeting was not conducted according to procedures and held without notice and agenda. The sultan had also said the Dewan Rakyat [House of Representatives] meetings on January 18 and 19 were invalid.

Anwar said this was a reflection of the extent to which the sultan would go to assist Razaleigh. He was speaking to reporters after attending a closed-door meeting with the visiting 12-member delegation from Zanzibar. [passage omitted]

Kelantan Sultan: Next Session 'Invalid'

BK0403123893 Kuala Lumpur NEW STRAITS TIMES in English 3 Mar 93 p 2

[By Shamsul Akmar]

[Text] Kota Baru, Tues.—The sultan of Kelantan today warned the government that next week's Dewan Rakyat [House of Representatives] meeting will be invalid and unconstitutional. He said, therefore, the Constitution (Amendment) Bill 1993 will be null and void if passed then.

He said that from his interpretation, the March 8-9 Dewan Rakyat meeting would not be valid because the earlier proceedings leading to the meeting were invalid. The sultan issued the statement through his private secretary Fuad Hassan.

"When the time comes, he may challenge the validity of the January 18-19 Dewan Rakyat and February 11 Conference of Rulers meetings in court," said Fuad.

The sultan said he was still discussing with legal experts on the possibilities of taking the matter to court. However, he did not say when he would decide whether to pursue it or otherwise.

"The sultan believes that since the preceding meetings were not conducted according to the requirements of the Constitution, hence making them invalid, it only stands to reason that the March 8-9 meeting which is a continuation to the January 18-19 and February 11 meetings, will also be invalid if held," Fuad told a press conference.

The conference has almost turned into a daily affair since February 24 when the sultan declared that the February 11 Conference of Rulers meeting which consented to the Constitution (Amendment) Bill 1993 with changes, was invalid because it was not conducted according to procedure.

On February 27, the sultan declared the January 18-19 Dewan Rakyat meeting was invalid as it was conducted before the consent of the Conference of Rulers was obtained.

Fuad said the sultan also believed that the government, in order to correct the irregularities pertaining to the constitutional amendments, must start fresh.

"The sultan said the government must obtain the Conference of Rulers' consent before tabling the amendments which seek to remove the rulers' personal immunity.

"Only after the consent has been obtained can the Government table a fresh draft of the bill and debate it in parliament."

Asked what the Sultan was trying to gain from all his statements, Fuad said the ruler had no intention of being difficult.

Asked why didn't the sultan raise his objection to Attorney General Tan Sri Abu Talib Othman when they met at Istana [Palace] Johor in Kuala Lumpur on February 15, Fuad said the sultan felt that it would not change anything as the meeting was informal. It was reported that the meeting, attended by four rulers and two regents, sought further clarification from Abu Talib on the constitutional amendments.

Cambodia

Khmer Rouge Opposes World Bank Loan Agreement

BK0503013593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 4 Mar 93

[Text] A few days ago, the UNTAC [UN Transitional Authority in Cambodia] leaders organized a meeting in Phnom Penh of representatives from the World Bank and from the four Cambodian parties, with UNTAC leaders also meddling, in order to force the tripartite resistance forces to acknowledge UNTAC borrowing money from the World Bank to prop up the regime, puppet of the Yuon [derogatory term for Vietnamese], and prevent it from disintegrating in the near future. The meeting lasted for many days but the UNTAC leaders failed to achieve anything. The resistance forces voiced their opposition because they clearly realized the maneuvers of UNTAC leaders who were colluding with the Yuon and the puppets.

On 3 March, the UNTAC leaders adopted a new deceitful maneuver to get the resistance forces to acknowledge the loan to help the Yuon's puppets. The Democratic Kampuchea [DK] representative addressed the meeting and exposed this dark maneuver of the UNTAC leaders. The DK representative said the decision to borrow money from the World Bank is a political one related to the legitimate government in Cambodia, and then pointed out that the meeting participants should discuss some issues as follows:

1. Legal aspect: Everyone knows that the Supreme National Council [SNC] has no power. The SNC has not been allowed to fulfill its role as the legitimate and sole source of power as stipulated by the Paris agreement. The Yuon continue to commit aggressions against and occupy Cambodia. The regime propped up by the Yuon aggressors since 1979 continues to unlawfully hold power and illegitimately run state affairs.

Prince Norodom Sihanouk, head of state and SNC chairman, pointed out in his statement dated 17 February 1993 that the SNC has no rights or power whatsover. Since the SNC has no power, one cannot hold the SNC responsible for anything. In such a situation the SNC has no right or power to decide on or sign any agreement. The SNC has no responsible role in borrowing money or in repaying loans.

2. Political aspect: The draft of the loan agreement clearly specifies that the Yuon's puppet regime is in charge of and is the party using the money through the illegitimate bank and the finance ministry of the Yuon puppet regime. It is obvious that financial aid and bank loans are for propping up the Yuon's puppet regime so it can become a legal regime now and into the future. Through this, Yuon aggressor forces and Yuon settlers will be maintained in Cambodia. At present there are over 2 million Yuon settlers; that amounts to one fourth of the Cambodian population.

The Party of Democratic Kampuchea fully rejects the plan to borrow money from the World Bank and will not be responsible for the financial or any other aspect of this deal. We consider this loan agreement null and void.

Countries Not Contributing Aid Pledged to UN

BK0503031993 Bangkok BANGKOK POST in English 5 Mar 93 p 8

[Text] Cambodia faces worsening instability unless the international community—Thailand included—speeds up payment of pledged contributions for basic development in that country.

Edouard Wattez, the UN Development Programme (UNDP)'s resident representative in Phnom Penh, warned yesterday of the threat of growing instability as the UNDP gradually ran out of funds for its projects in areas where refugees are returning home. Funds are needed urgently because the bulk of the refugees should be resettled by the end of April, he said. UN agencies in Cambodia are worried by delays by donor countries in paying $880 million pledged at the Ministerial Conference on the Rehabilitation and Reconstruction of Cambodia in Tokyo last June. Mr Wattez said donors were holding back on their payments because of their own internal economic difficulties and concerns over the lack of progress in the peace process.

Other reports have spoken of a lack of confidence among donor in the UN's performance in coordinating aid projects in Cambodia. But diplomats representing donor countries who were contacted yesterday said the UN official's concerns were not entirely valid. They disputed the UN's calculation of how much promised money has been disbursed. One diplomat, who spoke on condition of anonymity, said it was difficult to judge whether aid projects in Cambodia were developing too slowly.

According to the UN interpretation donor countries pledged in Tokyo to contribute $880 million for spending this year. But since last June, only about $120-130 million has been spent by various UN, government and nongovernment agencies, according to estimates by the UN Transitional Authority in Cambodia.

Donor countries challenge both of these figures. The $880 million total was compiled from participants' speeches in Tokyo, but the speeches were not always clear about exactly how much money was being promised and what the period envisaged was, diplomats say.

At the same time, the $120-130 million disbursement figure estimated by the UN is based on spending by UN and other agencies working in Cambodia, and not on payments by the donor governments to the agencies, one diplomat said. Many donors have paid most of or more than they originally pledged, said the diplomat.

Nevertheless, the donors have agreed to speed up further payments and are considering a new UN appeal launched last week. Bangkok-based diplomats contacted yesterday denied there was criticism of the UN's coordination of aid projects. Given the situation in Cambodia, one said, there should be no surprise that some problems are being experienced.

The UNDP's Mr Wattez was clearly concerned about the level of assistance, however.

"What we are asking for is a very small amount of money which can make a big difference," he said. Even a country such as Thailand should contribute, he said.

"Seen from Cambodia, even a modest contribution from Thailand would be a small return for the other benefits (Thailand has gained) in the past. I think it's also in the interests of Thailand to have a more stable Cambodia as a neighbour."

Mr Wattez urged donor countries to break what he described as a vicious circle. Some donors are reluctant to pay because of uncertainties over the political stability in Cambodia, but their failure to pay is delaying the country's return to normality. He said he feared donors might continue to delay aid to see whether stability returns after the elections and he warned that this would only make matters worse.

The Paris Peace Agreement signed in October 1991 is merely a piece of paper for most Cambodians. Mr Wattez said. Unless they see concrete improvements in their living standards with fertiliser new wells or new schools, they will remain subject to various political pressures.

"The place where stability will come from is the rural areas where 90 percent of the people live."

Larger projects, many involving private money, are being set up in central Cambodia.

"Prestige projects need to be relegated to the back seat. The people of Cambodia are crying out for access to health care, education and a means to raise their incomes through small-scale community-based productive activities. These are the most urgent needs of Cambodia. Without addressing them on a larger scale, this country will never achieve true stability or even be able to relaunch itself on to the path of economic development."

The UNDP is seeking a further payment of less than $40 million for a number of programmes. Mr Wattez emphasised that this would be part of the $880 million pledged in Tokyo and not a new request.

The UNDP money would be used for resettlement and rehabilitation in areas where refugees and other displaced people are being settled, and for employment training under a UNDP-funded programme operated by the International Labour Organisation.

The resettlement and rehabilitation projects range from agriculture to education and can involve basic tasks such as digging wells.

"Everything becomes different if there is clean water all the year round," he said.

Mr Wattez remains concerned about delays in funding despite a promise from representatives of about 30 donor countries meeting in Phnom Penh last week to speed up payments.

"A more forceful and rapid involvement was and remains badly needed if the international community genuinely wishes to reinforce the political and socio-economic stability of this country," he told the Phnom Penh meeting last Thursday.

"Much still needs to be done as soon as possible and I would say 'starting yesterday'. I would venture to say that in some ways the urgency with which this remaining assistance is required has in fact increased rather than decreased."

At last week's meeting three leading UN agencies operating in Cambodia, together with the UN Transitional Authority in Cambodia, appealed for a total of $53 million in further contributions to the "reintegration phase" of the programme for repatriation of refugees:

—$6 million for the UN High Commission for Refugees for the period up to the end of March next year

—$7.2 million for the World Food Programme to feed returning refugees for 400 days following their return; and

—$39.8 million for UNDP-related projects.

Mr Wattez said yesterday the lack of funding was compounded by imbalances in the way the money is being used among different economic sectors and among the various regions in Cambodia.

For example, while inadequate funds are available for the northwestern provinces, where the bulk of the refugees are being settled, other regions are receiving even less. But other regions are also locations for the resettlement of refugees as well as for Cambodians displaced inside the country as a result of fighting. The eastern region is receiving no assistance at all, he said. Mr Wattez also emphasised the need to assist local populations in poor areas where refugees are being resettled in order to avoid resentment.

Two of UNDP's key programmes in Cambodia are resettlement and reintegration, and area development. These are only operating in three northwestern provinces—Battambang, Banteay Meanchey and Pursat—and Mr Wattez would like to see the programme widened to new areas. More money is needed if these operations are to avoid closure in the next few weeks, he said.

"We certainly are totally unable to expand further," Mr Wattez said.

The agency has $2 million in the bank for these projects, supplied by the UN High Commission for Refugees. It needs $4 million for its immediate survival and wants another $21 million.

Australia, Japan, the United States, the Netherlands, Sweden, Norway and Finland have contributed or promised to contribute, but the project has received little from other donors, he said.

A diplomat from one country contributing to the resettlement and rehabilitation programme described it yesterday as "one of the best rural development projects" in Cambodia because it employs 8,000 Cambodians every day and has completed 150-180 kilometres of roads.

The UNDP has been operating in Cambodia since October 1990. It was unable to set up a permanent presence in the first year because of the international embargo, but it moved in as soon as the peace agreement was signed in October 1991.

Chea Sim Sends Condolences to Laos

BK0503065693 Phnom Penh SPK in French 0400 GMT 5 Mar 93

[Text] Phnom Penh 5 Mar (SPK)—Chea Sim, chairman of the National Assembly of the State of Cambodia [SOC], recently sent a message of condolences to Saman Vi-gnaket, chairman of the Lao National Assembly [LNA], on the death of Sisomphon Lovansai, adviser to the Lao People's Revolutionary Party [LPRP] Central Committee, former member of the LPRP Political Bureau, and vice chairman of the LNA.

The message said: I would like to express my most saddened condolences on the demise of the LNA vice chairman on 24 February.

The death of Sisomphon Lovansai constitutes a loss of one of the militant architects of Lao economic reform, Cambodia's peace and national reconciliation, and stability in the Asia-Pacific region.

On behalf of the SOC National Assembly and in my own name, I would like to share sorrow with the Lao party, Government, and people as well as the bereaved family.

Chea Sim Greets New Lao SPA Chairman

BK0503070493 Phnom Penh SPK in French 0403 GMT 5 Mar 93

[Text] Phnom Penh 5 March (SPK)—Chea Sim, chairman of the National Assembly of the State of Cambodia [SOC], recently sent a message of warm congratulations to Saman Vi-gnaket on his appointment as chairman of the Lao Supreme People's Assembly [SPA]. He said he was confident that the nomination of Vi-gnaket to the top post of the SPA at a time when the Lao party, Government, and people are implementing a reform policy will bring success to the policy, contributing to constantly elevating Laos' prestige in the international arena and safeguarding peace and stability in Southeast Asia and the world.

Chea Sim also expressed his conviction that the relations of friendship and multifarious cooperation between the SOC and Laos will further develop and strengthen in the interests of the two peoples and peace.

Laos

Paper Reviews Sixth Party Plenum

BK0403131593 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Feb 93

[PASASON editorial: "The Present Time And Opportunity And Our Duties"—dated 22 February]

[Text] At the time while our entire nation is entering the third year of the enthusiastic implementation of the resolution of the fifth party congress, the fifth Lao People's Revolutionary Party [LPRP] Central Committee convened its sixth plenary meeting on 10 February. The meeting was closed with glorious success on 18 February. During the meeting, delegates reviewed and assessed the implementation of various resolutions of the party in previous years. They reiterated that though the international situation has complicatedly and rapidly changed, our party has determinedly carried out the comprehensive restructuring line, the line which it has already chosen and always adhered to. In pursuing this line, our party has, first and foremost, concentrated all potentials on settling the economic problem, the problem which is considered to be a basic and most urgent one.

Our party has won successful achievements in many fields in carrying out the restructuring cause. New progress has been achieved in the agricultural, industrial, and handicrafts production as well as in the service work. The economic structure, which comprises agro-forestry, industry, and services, has emerged in many regions throughout the country. The people's material, spiritual, and cultural life has been improved in a significant step. Political stability has been firmly maintained, thus serving as a strong basis for the national development in the years to come. The citizens' democratic rights and rights of being owners of the country have been further promoted and expanded. As a result, our country has worthily contributed to bringing about peace and strengthening friendship and cooperation with various countries. We have also gained sympathy, support, and assistance from various nations and international organizations. These support and assistance have significantly contributed to our cause of building and developing the country.

These successful achievements have substantially proved that our party's restructuring policy is appropriate and that it conforms to the practical conditions of our country. Noteworthy is that we have adhered to the party's principles and ideals, firmly grasping the true nature of masses—from the people, by the people, and for the people [words indistinct]. Pursuing the restructuring policy, to serve the main requirements of the people, our party has regarded the economic problem as the priority problem to be settled. Another important point is that our party has outstandingly learned lessons, both good and bad ones, from outside and then applied only the good and most appropriate ones to the practical conditions in our country in implementing the policy. This is why we have won achievements in many fields in implementing the restructuring policy under the direct guidance of our party.

In the sixth plenary meeting of the fifth Party Central Committee, the delegates also noted certain shortcomings. Examples of the shortcomings are that the general production in our country has not been consistently carried out and that the agricultural production has continued to be mainly based on nature. It has thus failed to ensure the sufficiency in food to serve the requirements of the multiethnic people. Besides, the bureaucratic administration based on the state-financing system has remained to be widely practiced and the economic infrastructure construction has continued to be carried out in a slow manner, thus failing to create favorable conditions for foreign investments. Foreign assistance has not been appropriately utilized to serve our purposes. Foreign investments have still remained at a low level, and most of them are small-size investment projects and only in the fields of trade and services. There are less projects in the production and the construction of national economic establishments.

With the above-mentioned shortcomings, we have failed to fulfill the major objective as set by our party, namely the considerable raising of the living standard of the people in the country. Worse still, following the failure, a negative line of thinking has developed among a large number of our cadres and people.

Under the conditions in which our economy is still mainly based on nature and remains in the period of transiting from the natural economy to the goods-oriented economy, as well as other similar conditions, on the basis of studying the practical conditions, in its sixth

plenary meeting, the Party Central Committee has unanimously put forth overall duties, objectives, and direction for our socioeconomic development from now until the year 2000.

In the said direction and strategic plan, the main objectives are to enhance the solidarity of the entire people, to make the people maintain the spirit of self-mastery and, based on the strength of natural resources, build their own strength and bring about wealth by themselves, and to lead the country to march forward to achieve prosperity. But, first and foremost, attention must be paid to improving the living conditions of the multiethnic people in the economic, cultural, and social fields by developing plain land and linking it with mountainous areas and by building plain land and plateau in support of the development of mountainous regions. All these will eventually bring about equal civilization to all regions.

But, to fulfill these objectives, the important thing is that we must build, right from the beginning, the economic structure by combining the comprehensive agro-forestry development with the processing industry and services. Simultaneously, it is necessary to vigorously push forward the rural development and determinedly do away with the state-financing bureaucratic administration mechanism, switch to the state-adjusted free market economic mechanism, and efficiently broaden the economic relations with foreign countries.

To translate into reality the aforesaid overall duties, objectives, and direction, attention must be paid to cultivating and developing the human resource which is considered as the key to march forward to the fruitful achievement of developments in all respects. In light of the present situation, to fulfill the urgent, heavy duties in accordance with the strategic plan as put forth by the Party Central Committee in its plenary meeting on his occasion, it is required that cadres, party members, combatants of the national defense and public security forces, and people of all strata and various tribes throughout the country promote and expand the industrious and heroic traditions of the Lao nation, enhance the patriotic spirit, unite as one around the party, adhere to the party's line and policies, and strive to successfully push forward and translate into reality the restructuring cause in our country along the path of the slogans: peace, independence, democracy, unification, and prosperity.

Oudomsai Military Team Visits SRV

BK0303085593 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 1 Mar 93

[Text] According to an informed source in the Oudomsai Provincial Military Command, in response to an invitation of the Military Region 2 Command of the Socialist Republic of Vietnam, an Oudomsai Provincial Military Command delegation led by Colonel Chantha, head of the Oudomsai Provincial Military Command, paid an official visit to the Vietnamese military region from 6 February. After the successful trip, the Lao military delegation returned to Oudomsai on 16 February.

During the 10-day visit, the Oudomsai military delegation held meetings with the SRV Military Region 2 delegation to discuss and exchange views and experiences on several issues of mutual interest on the basis of friendship and special solidarity between the two countries, Laos and Vietnam, and their armies.

The Oudomsai provincial military delegation also visited the Vinh Phu Provincial Military Command, the Tha Bac Military School in Vinh Phu Province, the Military Region 2 Command Military School, and the Yen Bai Provincial Military Command Military School. The delegation also visited archaeological sites and the Vietnamese People's Army Museum, which housed the exhibits of revolutionary tradition. The Lao visitors were accorded a warm welcome by the Vietnamese authorities concerned at every place they visited.

135 Repatriates From Thailand Resettle

BK0303071693 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 28 Feb 93

[Text] In mid-February, the Khammouane Provincial Administration sent a total of 135 Lao repatriates made up of 47 families to settle in a new zone in Ban Nam Pakan, Hinboun District, Khammouane Province. This was the first group of Lao refugees to be sent home in 1993 from the Na Pho Refugee Camp in Loei Province, Thailand. They were sent home on 16 February under the auspices of the United Nations High Commission for Refugees.

Land Distributed to Repatriates in Luang Namtha

BK0503115593 Vientiane KPL in English 0911 GMT 5 Mar 93

[Text] Vientiane, Mar 5 (KPL)—The administration of Sing District, Luang Namtha Province, late last month allocated 50 ha of land in Nakham area to 50 families of 347 Yao repatriates.

The land has been presented to them to facilitate their new life. The allocation of land is also aimed at presenting farmers with a better alternative to shifting cultivation, thus protecting the environment and natural resources. The move is also hoped to boost commercial crop and livestock.

Also in late February, 32 families of 151 Ko tribesmen of old and new Lakkham villages, Luang Namtha District, the province of the same name, voluntarily abandoned their traditional mode of living on slash-and-burn practice and took up fixed farming on low land in Sing district.

The new settlers have been supported by the local administration and agriculture service.

Philippines

Ramos To Request Market Access During Japan Visit

HK0503025093 Manila BUSINESS WORLD in English 5 Mar 93 p 2

[Report by Genevieve I. Soledad]

[Text] The Philippines will ask Japan to open its markets to Philippines products during President Ramos's state visit on March 9 to 13.

Trade and Industry Secretary Rizalino S. Navarro told reporters yesterday that market access will be one of the key issues to be raised by the chief executive during his trip to Japan.

Japan has imposed stringent sanitary and phytosanitary standards which act as a barrier against the Philippines' agricultural exports.

For one, there is still the existing ban against the Philippines' exports of solo papaya in that country. Japan requires all fruit imports to undergo vapor heat treatment (VHT) to control fruit fly infestation.

As of now, the Department of Agriculture are arranging for Davao growers to bring their produce all the way to the Food Terminal, Inc. Complex in Taguig for VHT testing.

The Department of Trade and Industry (DTI) claimed the Philippines could rake in some $21 million from the export of solo papaya to Japan.

Another issue which continues to dampen RP [Republic of the Philippines]-Japan trade is the strict quarantine controls imposed on shrimp and prawn imports.

Japan earlier rejected several shipments of frozen black tiger prawns from the Philippines when these were found to contain high levels of antibiotics.

The Japanese market account for $164.6 million of the country's total shrimp and prawn exports during the first ten months of last year.

The President is also expected to push for the scrapping of tariffs on the Philippines' banana exports to Japan.

Banana imports in Japan are currently covered by a two-tiered import tariff: 10

from April to September (the off-season period for Japanese-grown fruits); and 20

from October to March (peak harvest season).

Japan is the Philippines' second biggest trade partner with total trade amounting to $5.8 billion last year.

The Philippines' trade balance with Japan has been consistently lopsided.

Last year, Philippine exports to Japan reached $2.3 billion, while imports amounted to $3.5 billion. This translated into a trade deficit of $1.2 billion.

In 1991 and 1990, the country's trade deficit with Japan posted $308 million and $347 million, respectively.

Groups Urge Japan 'To Atone for Atrocities'

HK0503025793 Manila BUSINESS WORLD in English 5 Mar 93 p 12

[Report by Jose G. Ebro]

[Text] Nongovernment organizations [NGO] involved in documenting cases of Filipina "comfort women" are demanding that Japan first atone for atrocities committed during World War II before it even considers a greater role in regional security.

Alluding to such sentiment, Foreign Affairs Secretary Roberto Romulo yesterday pointed out that it was "significant" for Japanese Foreign Minister Michio Watanabe to have personally "expressed deepest apologies for what happened during the War."

"Apologies are one thing, but how the Japanese will demonstrate true atonement is another," an NGO official remarked. He requested anonymity because of his participation in discussions with Japanese officials on the issue.

Mr Romulo has given assurances that the Philippines "will not adopt a contentious approach" with regard to the comfort women issue but expects that "the Japanese Government will find a solution" without further prodding.

"It would be good for Japan to wipe the slate clean with regard to World War II," an ASEAN diplomat remarked.

"How the Japanese do so will be a measure of assurance to the peoples of this region that the Japanese people will not repeat the sins of the past," he said.

Significantly, Philippine officials, including President Ramos and Mr Romulo, have expressed support for Japan's membership of the United Nations Security Council and its expanded security role in the region.

Diplomatic sources said the Japanese Government was considering the establishment of an institution here to address such grievances. The institution would oversee the welfare of surviving comfort women and serve to promote women's issues in general.

"The comfort women are old and dying off. They would like to see Japan make amends at least before they go," the aforementioned NGO official said.

Bomb Threat Halts Trading at Stock Exchange

HK0503035693 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 93 p 4

[Text] Trading was halted yesterday at the Manila stock exchange after a bomb threat, officials said.

Traders were asked to leave the Tektite Towers in Pasig following the telephone threat to allow police to search the building.

Last Feb. 18, a bomb scare interrupted trading at the rival Makati Stock Exchange but failed to quell a rally that saw the most frenzied buying in three months.

Makati brokers had to clear the newly expanded trading floor of the exchange after management received anonymous phone calls mid-morning that alleged a bomb had been planted in the building.

Trading resumed 20 minutes later after Makati police found no bomb in the premises and declared the calls as a hoax.

While it was the first time the Manila exchange received a threat at its new home in Pasig, bomb scares have been "normal" in Makati where several buildings had actually been hit in a spate of terrorist attacks three years ago.

Some traders said the bomb threats could be part of the raging dispute as to where to house a unified stock exchange.

The government has been pressing the Manila and Makati exchanges to unify, but the emergence of two giant property developers offering accommodations for a single bourse has somehow delayed the plan.

The Philippine Realty and Holdings Corp. has offered a temporary site at its Tektite Towers. Manila brokers have decided to move to the site last January together with a computerized trading system.

Ayala Land Inc., on the other hand, has expanded the trading floor of the existing Makati stock exchange building and likewise offered the space to the unified bourse.

Muslim Fundamentalists Claim Airport Bombing

HK0503114093 Hong Kong AFP in English 1128 GMT 5 Mar 93

[Text] Zamboanga, Philippines, March 5 (AFP)—A Muslim fundamentalist group Friday claimed responsibility for last weekend's bombing of the local airport and warned of more carnage if military operations continue on a nearby island.

"We will not only destroy vital government installations but even private establishments," Abu Sayyaf, self-styled leader of a group calling itself the Freedom Fighter Commando, said in a letter to Zamboanga radio station DXRH.

Twenty people were wounded when a dynamite bomb exploded Sunday in the terminal of the Zamboanga airport, the regional transport hub of the predominantly Muslim southern Philippines.

Abu Sayyaf, an alias which means "father of the sword," has also been linked to other attacks on Christian targets since 1991, including a grenade blast that left two foreign missionaries dead.

The letter tended to confirm an earlier police theory connecting the airport bombing to a massive military operation against Muslim guerrillas in nearby Basilan island which has left at least 30 dead by official count.

The operation followed the massacre of 27 marines and militiamen in Basilan by a so-called "lost command" of the Moro National Liberation Front, a Muslim separatist group which officially observes a truce with the government.

The letter writer charged that innocent members of the Yakan tribe were being massacred by marines in villages of Tuburan town in Basilan.

He said he and his men were "prepared to conduct large-scale teroristic activities like bombings in cities" and "massacre Christian civilians if only to avenge the massacre of our brothers and sisters."

"We are men of peace and we hate war just like the Christians. However if you will keep disturbing the Muslims' feelings and killing them mercilessly we can be the best men of war," he added.

Cardinal Gives Qualified Economic Plan Approval

HK0503040393 Manila THE MANILA CHRONICLE in English 5 Mar 93 p 4

[Report by Gemma Tampus]

[Text] Manila Archbishop Jaime Cardinal Sin yesterday gave his stamp of approval on the Ramos administration's plan to transform the Philippines into a newly industrialized country.

Speaking before the Rotary Club of Manila, the influential and outspoken prelate said he was "heartened and encouraged" by the government's goal to improve the economy and fight widespread poverty.

This is the first time that the archbishop expressed approval for a policy of the current administration. Earlier, Sin had severely criticized the government for adopting policies opposed to Catholic beliefs.

"You approve, as I do, the desire and endeavor of government to push for national development and progress. You are happy, as I also am, to see government make headway in some degree or other in realizing its vision of peace and prosperity for our people," he told the Rotarians gathered at the Diamond Hotel ballroom.

"Projects for human advancement are very close to the heart of the church," Sin said.

The archbishop, however, continued to express "misgivings and reservations" on government policies which clashed with the church's views.

He said some of government's approaches to nation-building considered only "the economic and political plane and neglecting the moral dimension of the issue."

Sin said that one of those approaches, which caused him "anxiety", was the government's attempt to negotiate with some parties without principle.

Ramos Administration Responds

HK0503100793 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 5 Mar 93

[Text] This is Malacanang's answer to the criticism by Jaime Cardinal Sin of President Fidel V. Ramos' administration.

Presidential Spokesperson Annabelle Tecson Abaya said President Ramos' previous explanations of the issues taken up by Cardinal Sin were clear, so it is no longer necessary to repeat them to make the cardinal understand.

On Cardinal Sin's criticism of Ramos' visits to neighboring countries, Abaya said these trips are not junkets for the president and his party—which included cabinet members, senators, congressmen, and business leaders—because these state visits are intended to convince big businessmen abroad to invest in the Philippines to help the economy recover.

Abaya also said that had Cardinal Sin given attention to the results of these trips, he would not have criticized the chief executive and instead praised him for his efforts to rebuild the Philippine economy.

Government To Revive Spratly Issue at APPU Meet

HK0503071893 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 5 Mar 93

[Text] The Philippines will revive the issue of the Spratly Islands, along with the promotion of closer trade ties, during the opening of the 53d Asia-Pacific Parliamentary Union [APPU] which will be held in the country on 8 March.

Congressman Jaime Lopez, chairman of the House Committee on Foreign Affairs and secretary-general of the Philippine contingent to the conference, said the country will push for the Spratly issue for the sake of the country.

Other issues to be discussed during the conference include the re-acceptance of Vietnam and Laos into the APPU.

Other APPU member-nations are: Korea, China, Thailand, Malaysia, Fiji and Micronesia.

House Speaker Jose de Venecia will head the conference which is scheduled to take place from 8 to 11 March.

[Begin Lopez recording, in English] There are recent developments in the world today like the formation of the NAFTA [North American Free Trade Agreement], consisting of North America, Canada, and Mexico; the European Central market; and we are also forming in this part of the world the AFTA [Asean Free Trade Agreement] to enable us to stand up to the competitive world being propelled by these two groups. So this is one of the important matters that we are going to take up. [end recording]

NPA Chief 'Still Eligible' for Amnesty

HK0503032993 Manila PHILIPPINE DAILY INQUIRER in English 5 Mar 93 pp 1, 8

[Report by Jerry Esplanada]

[Text] The government is inclined to grant amnesty to Leopoldo "Ka [Comrade] Hector" Mabilangan despite reports linking the rebel leader to criminal activities, a top Malacanang official said yesterday.

Contrary to some reports, Mabilangan is "still eligible" for amnesty, the official told the INQUIRER.

"All he has to do is prove that his so-called links with the Red Scorpion Group [RSG] were used to further his political cause," the source said. "May lusot pa siya [He still has a way out of this]."

Mabilangan, a New People's Army [NPA] commander who surrendered to President Ramos recently, has repeatedly denied his alleged ties with RSG, a kidnap-for-ransom gang.

The rebel leader went to Malacanang yesterday and met the President for about one and a half hours.

It was their third meeting in the past five weeks.

Mabilangan also met Presidential Management Staff head Leonora de Jesus on "livelihood projects" Mr Ramos had approved for funding.

After the meetings, presidential spokesperson Annabelle Abaya said Mr Ramos reiterated he "would always be supportive of people who would like to come back to the mainstream of society."

"So, whether it's Ka Hector or anybody else, the President said he would always be there to support them," Abaya said.

Mabilangan "wanted to reasure the President of his desire to become productive," she added. "The President was gladdened by this."

Quezon Rep. Marcial Punzalan, who accompanied Mabilangan to Malacanang, defended the NPA leader from allegations about his supposed links to the RSG.

Punzalan said Mabilangan was "sincere about his plan to return to the mainstream of society" and that many of Mabilangan's comrades were willing to do the same.

Abaya said Mr Ramos' stand on Mabilangan's amnesty bid "remains the same."

"Only political crimes are covered by the government's amnesty program," she said. "It's up to the NUC (National Unification Commission) to recommend if he should be given amnesty or not."

She said Mabilangan's fate also lay in the hands of the Presidential Anti-Crime Commission, [PACC] which is looking into the rebel leader's alleged RSG links.

RSG members have implicated Mabilangan in at least seven kidnappings.

Vice President Joseph Estrada, PACC head, said Wednesday he would file criminal charges against Mabilangan based on the sworn testimony of RSG operations chief Ernesto Palo, alias "ka Jojo."

Palo told the PACC that he acted as liaison officer between slain RSG leader Alfredo de Leon and Mabilangan in seven kidnappings between 1990 and 1992. One such case, he said, was the abduction of Chinese-Filipino businessman Robert Yao in Cabuyao, Laguna, last September. Palo, who surrendered to Estrada Tuesday night, said Mabilangan not half of the P5-million ransom paid by Yao's family.

Mabilangan gave some of the money to the NPA Banahaw Command and to a town councilor of Candelaria, Quezon, Palo added.

Earlier, Gregorio "Ka Roger" Rosal, spokesman of the NPA Meltio Glor Command, linked Mabilangan to at least two kidnapping operations.

Pledges To Support Peace Talks

HK0503032693 Manila MANILA STANDARD in English 5 Mar 93 p 2

[Report by Marichu Villanueva]

[Text] President Ramos was reassured yesterday by former New People's Army (NPA) chieftain Leopoldo Mabilangan, alias "Ka [comrade] Hector" of the Mount Banahaw Command, that he will not abandon government peace initiatives, although the Presidential Anti-Crime Commission (PACC) charges him for his alleged involvement in the kidnap-for-ransom activities of the Red Scorpion Group (RSG).

Ka Hector, accompanied by Quezon Rep. Marcial Punzalan, met with the President at Malacanang yesterday following an announcement by the PACC chairman, Vice President Joseph Estrada, that the PACC has found strong evidence linking Ka Hector to the RSG kidnaping activities.

Presidential spokeswoman Annabelle Abaya said that Mr Ramos met with Ka Hector and Congressman Punzalan for about one and a half hours.

Abaya said Ka Hector saw the President to reassure that he remains committed to returning to the mainstream of society and become a productive member again.

Ka Hector first made this commitment to the President when the Mount Banahaw commander "surfaced" on Feb 19 before Mr Ramos at the Palace. At that time, Estrada said the PACC had not enough evidence to link Ka Hector to RSG activities.

When Ernesto Palo, alias "Ka Jojo" and billed as operations officer of the RSG, surrendered late Tuesday night to the PACC, he confirmed the tie-up of Mabilangan with at least seven kidnapping incidents from 1990 to 1992.

Palo, listed as the No. 3 RSG leader, alleged that he had acted as liaison between Mabilangan and slain RSG leader Alfredo de Leon.

Palo claimed that the biggest amount he had given to Mabilangan, supposedly for the revolutionary movement, was P400,000 [Philippine pesos].

Abaya said the president was not surprised to learn about these disclosures against Ka Hector whom Mr Ramos first met last Feb 5 when the NPA leader indicated his desire to avail of the government's peace offer.

Abaya said Mr Ramos made it clear that he wants all kinds of information against Ka Hector to come out "so that the public may know" and that the government will not be charged later of ignoring the information.

"We cannot sweep it under the rug," Abaya said. "Ka Hector will have to clear himself and disprove these charges against him. And if there are truth to these charges, he (Ka Hector) must prove that he committed these criminal acts in furtherance of his political beliefs."

Abaya said though that Ka Hector will have to defend himself before the National Unification Commission (NUC), which is the body tasked with processing the possible grant of amnesty to the NPAs who want to avail of the government's peace initiatives.

The presidential spokeswoman stressed that Mr Ramos will not lift a finger to prevent the PACC from pressing its charges against Ka Hector.

"The president is precisely allowing the PACC to do its job to look into these charges," Abaya said. "It is now up to Ka Hector to prove his sincerity and go through the process," she added.

Abaya stressed that the President is committed to fulfill Ka Hector's five-point request made to him, including the provision of assistance to the Quezon municipalities under jurisdiction of the Banahaw Command.

Investment Body Approves More Energy Projects

HK0503030093 Manila BUSINESS WORLD in English 5 Mar 93 p 14

[Report by Frederick L. De Vera]

[Text] The total cost of projects approved by the Board of Investments (BoI) amounted to P27.39 billion [Philippine pesos] last January, up 185.1% from P9.61 billion in the same period a year ago.

BoI-approved projects for the month already account for some 18.9% of the agency's projected target of P145 billion for the year.

In its report, the BoI noted a more than threefold increase in the total number of approved projects to 364 from 88 during the period in review. Likewise, capital infusion almost doubled to P7.16 billion from P3.59 billion. This could be attributed to the 192.1% increase in locally infused equity during the period. Capital participation by local investors amounted to P6.15 billion or about 85.9% of the total. Foreign equity, on the other hand, declined by P474.38 million to P1.01 billion.

Of the P1.01 billion capital infused by foreign investors, 99.4% came from Asian countries. The People's Republic of China (PROC) topped all other foreign investors, contributing P972.5 million which was channeled to the largest project during the period. Taiwanese capital investment was second at P19.5 million, while Japanese equity participation reached P9.6 million.

American equity investments suffered a 99.8% drop to P50,000 last January from P25.09 million a year ago.

The largest project approved during the month was the P18.94-billion steel slab manufacturing project of the Iligan Iron and Steel Works, Inc. (IISWI).

Among the major projects approved by the BoI, four were energy-related; Bauang Private Power Corp., costing P4 billion; Mactan Power Corp., P846.5 million; Magellan Cogeneration, Inc., P490.3 million; and Howard-Cooper (Phils.), Inc., P99.05 million.

Other big projects came from export producers. These include the Sta. Rosa Textile Corp.'s P720-million spun yarn production business, and K & A Metal Industries, Inc.'s P392.3-million shipbreaking and scrap recycling project.

There were 328 projects classified under power generators/auxillary projects. These accounted for 90.1% of the total number of projects. The large number is due to the purchase of power generating sets by more firms to temporarily counter the power outages that last four to six hours daily. The manufacturing sector had 26 projects.

On a sectoral basis, manufacturing projects had the biggest cost at P20.4 billion, some 74.5% of the total. Energy related projects accounted for P5.43 billion. Power generators/auxillary projects entailed a total cost of P1.36 billion.

The approved new projects are estimated to generate employment worth P18.94 billion; the Ilocos region or Region 1 received P4 billion; and Southern Tagalog or Region 4 and the Central Visayas or Region 7 received P1.33 billion and P1.24 billion, respectively.

BoI-Approved Investments

January 1993 & 1992

	January 1993	January 1992
Number of Projects	364	88
New and Expansion	27	34
Existing	8	9
Regional Headquarters	1	1
Power Generators	328	44
Project Cost (P'000)	27,392,761	9,609,967
Equity (P'000)	7,161,562	3,591,588
Local	6,150,028	2,105,676
Foreign	1,011,534	1,485,912
Employment Generation	6,446	4,114

Source: Board of Investments

Funding Problems Delay Military's Modernization

HK0503032293 Manila BUSINESS WORLD in English 5 Mar 93 p 14

[Report by Wilfredo G. Reyes]

[Text] The country's top defense and military leadership has resigned itself to the probability that the armed forces' (AFP) [Armed Forces of the Philippines] "modest" modernization plan, which aims to install the minimum required national defense network, would have to be shelved for quite some time.

Defense Secretary Renato S. de Villa hinted yesterday the military's planned modernization program may have to be delayed further, due to Government's more pressing economic priorities. "Hindi na talaga natin kayang i-implement iyan [We cannot really afford to implement it yet], unless the country is able to maintain an annual economic growth rate of at least six percent," he said. "So, in the meantime, we will have to stretch this plan further than the original 10-year period."

One economist of the Center for Research and Communication said, at the rate the economy has been growing, it may take three to four years to achieve a six percent growth rate. The source forecasted a 2.6% growth rate by the end of this year, although Government has set its sight on 3.8%. It will be recalled the economy grew last year at .62%.

One ranking general staff officer assured the military leadership is satisfied with the national leadership's efforts to respond to the country's almost total lack of external defense requirements.

"We are happy with the way our leaders, especially those in the legislative branch, have been trying to respond to these needs," he said. "Relevant leaders of the Senate and the House (of Representatives) have adequate knowledge of this issue and know exactly where the problems lie.

"The point is that, even within the AFP, various units have competing requirements. You go outside the AFP, and you see the same kind of competition for priority among national requirements. I think our political leaders have been trying to strike a realistic balance among all these needs. We in the AFP understand this very well."

Still, the same officer clarified the military was not faced with an "all-or-nothing" dilemma. "We've already scaled down our requirements, so we will first focus on finding replacements for aging systems," he said.

"At the very least, we're looking at a three-phased 15-year program," he added. "We will retain the systems we have targetted originally—our wish list, but we have to seek remedial measures in the interim."

Specifically, he said military planners have already finalized a list of governments which have offered to "transfer" secondhand weapons systems to the Philippines at bargain prices.

"We're not shopping around for toys," he explained. "For now, the logic is: why buy one state-of-the-art fighter when you can get three older generation but operational models for the same price that can do the same job to your satisfaction?"

Citing the examples of South Korea, which is offering patrol ships that can later be equipped with missle systems, and Taiwan, which is selling its F5-E "Tiger" interceptors, he remarked: "It is almost a donation. Nilagyan lang yata ng price ang mga ito para hindi nakakahiya [I think that a price was given to these interceptors just so we can save face]."

The same source cited four criteria for the phased modernization effort. "We will respond to requirements as they come," he said. "Our guiding criteria within the next 15 years would be what we have, what we have to maintain, what we will need to replace as equipment age, and what we eventually want."

Agrarian Reform Program To Get More Funds

HK0503050093 Manila MANILA STANDARD in English 5 Mar 93 p 6

[Report by Merlinda Manalo]

[Text] Malacanang yesterday announced the approval in principle of the P2 billion [Philippine pesos] additional budget for the 1993 Comprehensive Agrarian Reform Program [CARP], bringing the total fund allocated for this year's program to P7 billion.

President Ramos said that the move by the Presidential Agrarian Reform Council (PARC) was aimed at accelerating the implementation of the program in agrarian reform communities identified by the PARC and compensating landowners claims costing P1 billion, among others.

The development of Agrarian Reform Communities, a vital component of the CARP, was not included in the original P5 billion 1993 budget for CARP, earlier approved by the Department of Budget and Management.

In a memorandum to the President presented during the recent PARC meeting, Agrarian Reform Secretary Ernesto Garilao enumerated activities to be supported under this year's program, which include:

—The survey of some 100,000 hectares in addition to the 350,000 hectares of acquired land for distribution by the Department of Agrarian Reform (DAR), valued at P90 million.

—The inventory of alienable and disposable land to speed up distribution of public lands, some P80 million of which shall be managed by the Department of Environment and Natural Resources.

—Implementation of basic infrastructure projects including roads and irrigation systems, P250 million of which shall be managed by the Department of Public Works and Highways and some P25 million worth by the National Irrigation Authority.

—Other economic and social infrastructure support services for agrarian reform communities which include post harvest facilities, training services, credit and livelihood support programs totalling P220 million to be managed by the DAR, Department of Agriculture, Department of Trade and Industry, and the Land Bank.

The President said the additional CARP budget will come from remittance, by the Asset Privatization Trust [APT], and recovery of ill-gotten wealth by the Presidential Commission on Good Government [PCGG] totalling P3 billion.

Garilao said that the agrarian reform fund still has a balance with the National Treasury of P4.22 billion as of December last year, which will be used to cover the P7 billion total budget of the CARP for 1993.

The President assured that the national government is prepared to shoulder the funding gap which may ensue if the PCGG and APT fall short of their remittances.

Thailand

NSC Chief Denies Violations of Logging Ban

BK0503023193 Bangkok BANGKOK POST in English 5 Mar 93 p 3

[Text] Thailand has complied with the resolutions of the Cambodian Supreme National Council (SNC) banning

the export of that country's resources, particularly logs and arms, according to NSC secretary-general Charan Kunlawanit yesterday.

The National Security Council [NSC] chief yesterday met with representatives of the Interior and Commerce ministries, the Customs Department and Police Immigration Division and the governors of seven border provinces to discuss the effect of the export bans.

"Concerning the prohibition of commercial gem mining, we have to let Thai businessmen know about it," he said. Gen Charan said the use of machines and excavators to prospect for gems was prohibited because they could destroy the environment.

The SNC has agreed to allow the export of processed timber by quotas but it has not yet worked out the figures, he said.

"We are waiting to see the figures."

Gen Charan said he wanted Thai businessmen to be aware of the latest moves so they can coordinate with authorities in Cambodia. Thailand has asked the SNC for a six-month moratorium so Thai logging companies with concessions in Cambodia could bring their logs out. The SNC has yet to reply.

Thailand closed its border passes to the transport of logs from Cambodia on January 1 in compliance with a UN resolution imposing economic sanctions on the Khmer Rouge. About 27 logging companies last month claimed they had suffered damage amounting to over 14,800 million baht because of the ban.

They told the Interior Ministry that 1,243 vehicles including tractors and graders and 2,700 workers had been left inside Cambodia. About four million cubic metres of logs still remain to be brought across the border. They also said they had spent a combined 6,075 million baht on logging operations.

Deputy Permanent Secretary for the Interior Chaiwat Hutacharoen said all the Cambodian factions except the Khmer People's National Liberation Front of Son Sann were willing to allow the temporary reopening of passes to allow the remaining logs to be brought into Thailand. He also said the ministry would discuss a report that Thailand was the biggest violator of the log export ban with the NSC.

Army Commanders Deny Rumor of Impending Coup

BK0503022193 Bangkok BANGKOK POST in English 5 Mar 93 p 1

[Text] Senior army officers yesterday expressed surprise at a press report that another coup was imminent because key regiment commanders were disappointed with the Government under Chuan Likphai's leadership.

A Thai-language newspaper reported in its Monday edition that 8-10 Army regiment commanders had called on former prime minister Chatchai Chunhawan on February 23 to voice their frustration with the Government.

"There is no substance in the report and it is clear it has political implications," said one commanding general whose forces were involved in the February 23, 1991 coup which toppled the Chatchai administration.

The general said it was impossible for regiment commanders based in Bangkok to have called on Gen Chatchai and apologised to him for the power seizure.

The newspaper report did not give any details of the meeting. It said only that the commanders were dissatidied with Mr Chuan after he claimed recently some military men were involved in arms smuggling. The report said the commanders saw the Prime Minister's remark as an insult to the Army. But Air Force Chief ACM [Air Chief Marshal] Kan Phimanthip and Army Chief Gen Wimon Wongwanit themselves both admitted earlier that a number of military men were involved in the smuggling.

"As far as I know there was no such a meeting of regiment commanders (with Gen Chatchai) and we are trying to find out who is trying to spread the rumour and for what purpose," the general said.

Another general, a Class 8 graduate of Chulachomkhlao Military Academy, said he was surprised by the report. He also said it was totally groundless to say the Army was dissatisfied with the Government.

"We are quite happy with Prime Minister Chuan because since assuming office, he has never tried to interfere in the Army's affairs. We have respect for him and I see no reason why this Government should be ousted," the Class 8 officer said. He said he did not think the Army would dare stage a coup against the Chuan-led Government as this would be unacceptable to the people.

An army colonel said he was surprised by the timing of the report as it was widely known in the military that Gen Wimon has a good relationship with the premier.

"This report was totally baseless," said the colonel who is close to the Army chief. The colonel said it was unthinkable for any active regiment commander to call on the former premier as this would go against Army guidelines set out by Gen Wimon in an attempt to distance the Army from politics.

Another colonel said: "If they made the visit, it could not be kept a secret and you can expect consequences from the action. I don't think that under the present political circumstances they would do such a thing."

Dumping Charges Filed by, Against Thailand

BK0503032593 Bangkok THE NATION in English 5 Mar 93 p B1

[Text] Thailand is one of four nations charged with dumping glass sheets into the South African glass market and hurting local glass industries.

PFB Float Glass Co, one of South Africa's major glass-sheet producers, has filed a suit with the local trade and tariff committee that charges Thailand, China, Hong Kong, and Singapore with dumping their glass-sheet products onto the South African market, the Thai Consulate in Johannesburg, South Africa said.

The South African Government has asked Thailand to submit any information concerning the accused Thai exporters to its committee before March 12.

The Commerce Ministry is investigating the South African charge, but a preliminary investigation suggests that no major glass producers in Thailand have been exporting the product to South Africa. Thailand's three major glass producers are Siam Cement's Siam Guardian Glass Co, Thai-Asahi Glass Co, and Bangkok Float Glass Co.

The South African company's charge suggests Thai glass is the cheapest of the products the four glass exporters are dumping. Three-millimetre-thick glass, which sells in Thailand for SA$13.48 per square metre, is being sold in South Africa for SA$3.82. Four-millimetre-thick glass costs SA$23.17 per square metre in Thailand and is selling in South Africa for only SA$6.13.

In the petrochemical industry, however, the story is reversed.

Thai petrochemical producers and distributors recently asked the Commerce Ministry to take control of the imports of plastic pellet, claiming local industries are suffering from the dumping of the foreign products.

A source from the Commerce Ministry said the local producers are facing unfair competition from cheaper products from Japan, Singapore, Taiwan, the United States, Malaysia, Indonesia, and South Korea.

Local petrochemical producers accused the foreign exporters of selling the products at unfair prices.

For instance, the price of South Korean plastic pellet is 50 per cent lower than the locally-made products, the official said. Korean producers sell their polypropylene plastic pellet in Thailand for US$490 per tonne, but the same product sells for US$860 per tonne in South Korea, he said. The Korean producers sell high density polyethylene plastic pellet for US$650 per tonne in Thailand, compared with US$770 per tonne in South Korea.

Tobacco Farmers Ask Government for Subsidies

BK0503033393 Bangkok BANGKOK POST in English 5 Mar 93 p 19

[Text] The Government should allocate 350 million baht to subsidise Thai tobacco farmers who face a severe price slump as an abundance of tobacco from other countries floods the world market, Chiang Rai-Phayao Tobacco Association Director Charuwat Kinawong said yesterday.

Mr Charuwat said after meeting Finance Minister Tharin Nimmanhemin yesterday that the subsidy would come partly from cigarette tax and profits of the Thailand Tobacco Monopoly (TTM).

The fund would shore up tobacco leaf prices to 70 satang per kilo. Sixty satang would come from the Government's subsidy and the other 10 satang would be from the Tobacco Association.

He said that this harvest year China has exported an abundance of tobacco. The price has plunged from 50 baht per kilo to 37 baht. Thai tobacco leaf products are not selling and at least 15 million kilos, about 66 percent of the country's total product, is in stock.

The Government should give its answer to the subsidy request by March 10 or make it effective by March 20. If the subsidy is not implemented in time, tobacco leaves will be damaged and the price will drop further from 1.40-3.50 baht per kilo, he said.

He said the price support scheme will have some benefits. People will have jobs, the tax revenue from tobacco increases and there are no imports of tobacco leaf. The tobacco association will try to cut its costs to make it more competitive in the world market. These measures involve fuel cost-cutting and use of only high quality tobacco leaves to lower production costs by 15 percent by 1994.

There are now about 500,000 tobacco farming families. Each family has on average 2.5 rai of land for cultivating tobacco. About 200,000 rai in the northern region is planted Virginia tobacco. Thai tobacco exports rank seventeenth in the world market. The major exporter is China.

Vietnam

Army Paper Rebuts UNTAC, Khmer Rouge 'Slander'

BK0503065593 Hanoi VNA in English 0630 GMT 5 Mar 93

[Text] Hanoi VNA March 5—The daily QUAN DOI NHAN DAN (PEOPLE'S ARMY) today strongly rebuffs the statement of the UNTAC spokesman in Cambodia on the so-called "three Vietnamese serving in armed forces in Cambodia."

The paper says:

Everyone knows that the "Democratic Kampuchea" faction has for quite a long time now rehashed the allegation about "Vietnam troops remaining in Kampuchea" as an excuse not only to refuse implementing but also to undermine the Paris agreement on Cambodia.

Public opinion is wondering what else they would do to slander and oppose Vietnam if their malicious deeds are not laid bare and stopped in time.

As a force entrusted with guaranteeing the implementation of the Paris agreement, UNTAC [UN Transitional Authority in Cambodia] would have adopted an impartial and fair attitude about who is strictly implementing the agreement and who is undermining and hampering the peace process in Cambodia. Regrettably, UNTAC not only has not taken any measures to force the Khmer Rouge to observe the implementation of the agreement but is also siding with the latter to stage an unpalatable act to oppose Vietnam.

Vietnam strongly condemns and categorically rejects the above slanderous allegation. Vietnam requires the international community, the United Nations, and UNTAC to take necessary measures to force all Cambodian factions, especially "Democratic Kampuchea," to strictly and throughly implement the Paris agreement. UNTAC and the "Democratic Kampuchea" faction must stop their distortions and slanders against Vietnam and must take all responsibility for their wrongdoings.

Vo Van Kiet Addresses Juridical Conference

BK0403150593 Hanoi VNA in English 1446 GMT 4 Mar 93

[Text] Hanoi VNA March 4—'Whether the renovation process, the programme for national construction and the socio-economic strategy can succeed or not depends in large measure on our capabilities to build a state fully governned by law,' said Prime Minister Vo Van Kiet at the national juridical conference held here from Feb. 25 to March 3 by the Ministry of Justice.

The prime minister said: 'In a law-governed civilized and democratic society, all social relations in the economic as well as political and cultural fields must be regulated by laws. In this respect, we have to recognize that we lack many laws. In the economic field which is a priority in legislation a legal framework still has to be worked out to regulate relations among different laws. We still lack such codes and laws as the civil code, the commercial code, the labour code, the law on state enterprises and cooperatives, the law on bankruptcy, etc, to say nothing of the laws in other fields such as the laws to guarantee the citizens' right to democratic freedoms. The inadequacy of the legal system is actually a major obstacle to social development, a limitation to the people's initiatives and propitious ground for the spread of many of people's social evils, especially embezzlement, smuggling, damage to the environment, drug addiction, prostitution...

It can be said that we are in a transitional period when the legal sytem founded in the period of centralized, bureaucratic and state-subsidisation mechanism has not been abolished completely while the new system of management has not definitively taken shape. We need to study the laws and legal systems of the countries which have a higher level of development in order to apply what is suitable for our country, step by step build a safe and reliable legal system for domestic and foreign investment in order to ensure the efficiency of state management as well as democratic freedoms for the peope.

Juridical reforms constitute an important part of the reforms of the current state apparatus. It should be added that our legal system is not able to discharge the short as well as long-term taks which are urgently posed by the renovation process and the building of a state fully governed by law, especially in the fight against crime, corruption and smuggling and especially the establishment of social discipline and order, so vital for the stability of the political and socio-economic situation.'

He also dealt with the urgent need to step up the building and training of a capable juridical staff in Vietnam.

Vu Oanh Attends Family Planning Congress

BK0403134993 Hanoi Voice of Vietnam in English 1000 GMT 4 Mar 93

[Text] The first national congress of the Vietnam Association for Family Planning was held in Hanoi on Tuesday and Wednesday [2 and 3 March]. Speaking at the conference, Mr. Vu Oanh, member of the Political Bureau of the party Central Committee laid stress on the resolution of the party and state on population in the coming years and defined clearly the orientation and activities of the association in the implementation of the national population and family planning program.